FBIS DAILY REPORT

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FURTHER REPORTAGE ON FRENCH MINISTER'S VISIT

PY271840 Buenos Aires Domestic Service in Spanish 1030 GMT 27 Jul 84

[Excerpts] French Foreign Minister Claude Cheysson, who yesterday began a 4-day official visit to Argentina, has delivered to President Alfonsin a letter from French President Francois Mitterrand, created a general Argentine-French mixed commission with his counterpart Dante Caputo, and lectured at a private foreign relations institute.

The French visitor is scheduled to be received by Economy Minister Bernardo Grinspun today. Although it has been said that it will be just a courtesy call, it is believed that they could discuss some aspects of Argentina's debt with the Paris Club.

Last night, Cheysson gave an extensive lecture on the causes, repercussions, and possible measures to resolve the present world crisis. Cheysson harshly criticized the United States. The French foreign minister gave the lecture at the Argentine Council for International Relations, and it was more economic than political.

Meets With Grinspun

PY281606 Buenos Aires TELAM in Spanish 2348 GMT 27 Jul 84

[Text] Buenos Aires, 27 Jul (TELAM) -- French Foreign Minister Claude Cheysson today met for an hour with Economy Minister Bernardo Grinspun, to whom he offered technical, economic, and financial cooperation with France.

The meeting, which was held at the Finance Palace, was attended by Commerce Secretary Ricardo Campero, Economy Undersecretary Rene Ortuno, French Ambassador Antoine Blanca, and other officials. Following the meeting Minister Grinspun expressed satisfaction with it and said that fortunately relations with France are excellent. He added that the French foreign minister's visit served to further strengthen undertakings that have already been started.

Grinspun then revealed that the French foreign minister has offered technical, financial, and economic cooperation, which we appreciate. The minister said that he thanked Minister Cheysson for everything the French Government has done for the democratic Government of Argentina.

Minister Cheysson emphasized the excellent political relations between the two states, admitting, however, the existence of a few bilateral problems related to the worldwide economic crisis.

Asked about the recessionary policies imposed by the IMF, Cheysson said that each country's situation is different and that the problems should be studied case by case. He added that the fundamental approach to deal with these problems should be based on the idea that rigorous rules are necessary to promote growth, but that they should not result in recession, which will not solve the current problems. So anything that needs tightening must be tightened, but only to bring about a more rapid recovery, he said. In general, that principle applies to everyone, Cheysson stated, but it has to be adjusted to each case; the methods have to be adapted. Sometimes the experts, who have rigid concepts, have tried to apply the same treatment to all countries in all cases.

During the meeting, the French foreign minister invited Grinspun to visit Paris so that he could have talks with his French counterpart on economic questions of bilateral interest.

Holds Press Conference

PY290427 Buenos Aires TELAM in Spanish 2208 GMT 28 Jul 84

[Excerpts] French Foreign Minister Claude Cheysson today stated that although France condemned the use of force and violence by Argentina at the UN Security Council in April 1982, it never recognized Great Britain's sovereignty over the islands. He also said that in order for France to make investments in Argentina, Argentina must first negotiate with the IMF and the Paris Club, adding that this measure will also give Argentina credibility on international financial markets.

Cheysson made these remarks in a press conference he held at San Martin Palace with his Argentine counterpart, Dante Caputo, after signing a thick package of documents drafted by the Argentine-French joint commission which was created on the occasion of this visit by the French foreign minister.

The ceremony began with the signing of the final communique of the Argentine-French joint commission and of the agreements concluded during the past 2 days. This preliminary document states that North-South cooperation is an essential factor in preserving world peace and that Argentina and France must play a decisive role in the search for a new world economic order. It also states their mutual understanding that the international financial crisis is due, among other things, to the foreign debt of many countries and emphasizes the need to strengthen cooperation and dialogue between the EEC and Latin America.

Other documents refer to the various aspects of Argentine-French cooperation. Foreign Ministry Under Secretary for International Cooperation Oscar Yunovsky read a brief summary of these documents which refer to trade, which is currently not in keeping with the possibilities of both countries; identification of areas of cooperation especially concerning energy, mining, petrochemistry, transportation, electrical materials, informatics, and telecommunications; and mechanisms of coordination and implementation which include the creation of interministerial areas in both countries to achieve their objectives.

Lengthy, carefully drafted agreements were also signed concerning methods and procedures for cultural, scientific, and technical cooperation and French cooperation in providing Argentina with more effective ways of training public servants.

The comprehensive agreements signed include broad areas concerning scientific research, an area in which Argentina has assigned priority related to the sea and to the earth, social and basic sciences, engineering, and technical and scientific information.

The Argentine foreign minister also said that the world system is in danger for failing to recognize the magnitude of the current economic crisis and that we must exercise our political will to find solutions, which cannot be the traditional ones. In this respect, he said, this dialogue has reflected French recognition of the Argentine democratic process.

For his part, Cheysson said that the method to be applied will reflect our objectives in the area of cooperation since France wants Argentina to take advantage of its experience. Cheysson said: "We need to make proposals but Argentina must first hold negotiations with the IMF and the Paris Club. I have clearly noticed Argentina's willingness to do this during the talks held with President Alfonsin and Vice President Martinez."

Cheysson said that divisive factors have appeared in international politics which France would like to confront jointly with Argentina because he sees that his Argentine friends would like more promising relations with the EEC, especially after the visit by FRG Chancellor Helmut Kohl. He added that since it is necessary and possible, France is deeply convinced it must hold talks with Argentina because it is a great country with influence in the region and it must have all the necessary resources to maintain this position.

Asked about the possibility of the EEC buying a part of the Argentine wheat harvest, Cheysson expressed his belief that Argentina did not know the EEC very well. He said that, for example, Argentina must establish financing conditions and expand its exports. Concerning Argentine traditional exports, the balance of trade with the EEC is very favorable to Argentina since last year Argentina had a surplus of $500 million.

Cheysson dismissed the possibility of the East-West conflict disturbing relations between two countries such as France and Argentina. Asked whether an agreement with the IMF was a precondition for the improvement of relations, Cheysson replied: "There are two types of responsibilities. In bilateral relations it is desirable that an agreement is reached with the IMF before the public debt is restructured, and for this reason the IMF has a leading role. However, it is also necessary to understand the Argentine ambition to recover itself, for which reason it must gain access to the financial markets.

When Caputo was asked if he thought that some investments by the French Government in Argentina before an agreement was struck with the IMF would help Argentina to reach an agreement with the IMF, Caputo replied that if the question was regarded only from the viewpoint of Argentina, a single word would suffice: Yes. Yet this question must not be viewed as a matter of principle but as a practical problem and this has its own meaning. In the first place, the Argentine Government has repeatedly voiced its willingness to strike the necessary agreements with the IMF and has stated its willingness to apply policies for rearranging its economy. As a result of these concepts, things are not to take place in the medium term but in the short term.

"On the practical side, this question loses significance because if we reach an agreement with the IMF over the next few weeks [as received], there is a possibility that the incoming capital flow will change substantially," Caputo added. In other words, if the agreement with the IMF takes place in 1 and 1/2 years [as received], the possibility for reaching agreements seeking to create that capital flow would be extremely good. However, to better negotiate it is not good for Argentina to have international discipline disrupted now.

"However, in all cases we must make it clear that the Argentine case is atypical, that is, while all other countries got into debt seeking to grow, Argentina became indebted but only grew smaller," Caputo stated.

Asked about the issue of the disappeared, Cheysson stated that his countrymen had also endured the horrible violence and misery of the past years, but to a much lesser extent. At any rate, he said, we have confidence in the investigations of the Argentine Government and we share that misery with you.

Regarding the foreign debt issue, Cheysson stated that he opposes the establishment of debtor clubs and national and international financial cartels. However, he highly praised the Cartagena declaration.

COMMUNIQUE SIGNED WITH GABONESE REPUBLIC

PY280253 Buenos Aires Domestic Service in Spanish 1600 GMT 27 Jul 84

[Text] Argentina and Gabon today signed a joint communique during a ceremony held at the Foreign Ministry. The communique says that Gabon supports Argentine rights over the Malvinas Islands and Gabon expresses its appreciation to the Argentine Government for its constant support for the independence of Namibia within the framework of UN Security Council Resolution 435. The communique also establishes that the Argentine and Gabonese delegations to the next UN General Assembly will hold frequent contacts.

ACCORD REACHED ON GRAIN SALE TO BULGARIA

PY280324 Buenos Aires TELAM in Spanish 0221 GMT 28 Jul 84

[Text] Buenos Aires, 27 Jul (TELAM) -- The first meeting of the Argentine-Bulgarian Joint Commission ended today with the signing of a letter of intent to close a contract for the supply of grain to Bulgaria over the medium term. The Argentine side presented to the Bulgarian side a draft agreement for the supply of meat products.

During the meeting both countries expressed interest in scientific and technological cooperation in the field of pharmaceuticals, and the bases were prepared for an exchange of technology, technical personnel, and supply of minerals.

In the area of economic and technical cooperation, the two sides agreed to promote an exchange of technological and scientific information between the National Agricultural and Livestock Technology Institute and its Bulgarian counterparts.

The document was signed by Ricardo Campero and his Bulgarian counterpart, Khristo Khristov.

OFFICIALS DISCUSS OIL DEAL WITH SOVIET UNION

PY271302 Buenos Aires TELAM in Spanish 2349 GMT 26 Jul 84

[Text] Buenos Aires, 26 Jul (TELAM) -- The president of Argentine Government Oil Deposits [YPF] has indicated that the oil supply is assured for this year and that not a single cubic meter of crude oil will be imported.

Speaking about a possible purchase of oil from the Soviet Union, Hector Fiorioli said that it is a very good idea and probably a good deal, but it has nothing to do with Argentina's capacity for ensuring self-sufficiency. According to Fiorioli, the deal with the Soviet Union is part of the significant bilateral trade between the two countries and due to the fact that the trade balance is heavily favorable to Argentina, which the Soviets want to balance.

According to the YPF president, "bringing Soviet oil into the country would yield many benefits because after being processed in local refineries, it would fill the demand of neighboring countries."

Hector Fiorioli said that the deal would be very interesting because there would be a grace period of 45 to 60 days to pay for each shipment, which includes arrival of the ship in the country, processing, and resale of byproducts. He also explained that the transaction would mean work for Argentine ships, in addition to the possibility of increasing the sale of national oil byproducts abroad.

The secretary of energy also spoke about the possible agreement with the Soviet Union. Conrado Storani said that the deal could involve between 600,000 and 1,200,000 cubic meters, which would help to employ the unused processing capacity of private and YPF refineries. Storani indicated that if the deal goes through, 80 percent of the freight would be carried by Argentine ships and the refining of the crude oil and the subsequent exports of byproducts could yield YPF an estimated $50 million per year in profits.

UNIONS, BUSINESSES NOT CONSULTED ON WAGES, TARIFFS

PY292028 Buenos Aires BUENOS AIRES HERALD in English 29 Jul 84 p 17

[Text] (NA) -- President Raul Alfonsin authorized his socioeconomic cabinet to set wage and tariff policies without first consulting union or business sectors, government sources said yesterday. The President's decision means a major victory for Economy Minister Bernardo Grinspun and a defeat for Labour Minister Juan Manuel Casella, who last Wednesday promised the unified CGT that union sectors would be consulted before wage announcements are made. The sources said Alfonsin gave the instructions at Friday night's meeting of cabinet ministers.

PARTIES GIVEN FREE SPACE IN PRESS ON PLEBISCITE

PY271906 Buenos Aires Domestic Service in Spanish 1030 GMT 27 Jul 84

[Text] National Electoral Director Alberto (Pelusso) yesterday stated that political parties will be granted free space in the various news media to express their positions on the plebiscite called by the government to determine the people's views on the agreement with Chile over the Beagle Channel. (Pelusso) added that the outcome of the plebiscite, which will reportedly be held in mid-September, could be disclosed on the same day of the vote because the ballot count of each balloting station will be considered final.

BRIEFS

V CORPS COMMANDER -- Buenos Aires, 17 Jul (TELAM) -- Army Chief of Staff General Ricardo Pianta today installed General Mario Jaime Sanchez as the new V Corps commander. [Summary] [Buenos Aires TELAM in Spanish 2202 GMT 17 Jul 84 PY]

COB REACTS TO COUP CHARGES, WANTS U.S. EXPLANATION

PY271510 La Paz Cadena Panamericana in Spanish 1130 GMT 27 Jul 84

[Text] The Bolivian Labor Federation [COB], the principal labor organization in Bolivia, maintains that it has never promoted, does not promote, and will never promote actions against the democratic process, which was restored based on the struggle and sacrifice of Bolivians from all sectors. This assertion was included in a document released yesterday by Oscar Sajines Rodriguez, Armando Morales Gomez, Jose Justiniano (Ligeron), (Nilo Toruco Arancibia), Edgardo Vazquez, and Eliceo Justiniano Parada.

The document says that these actions are not in keeping with the principles of the most important Bolivian labor organization. Hence, the document says, the statements made by Reynaldo Venegas, president of the Oruro civic committee, charging the COB with participating in subversive actions, are groundless. Reading some points of the COB document, Jose Justiniano (Ligeron) said:

[Begin Justiniano recording] The Bolivian Government has the moral obligation to request an explanation from the U.S. ambassador for his silence and to declare U.S. Political Adviser Valentino Martinez persona non grata. If it is true that the information [on the events of 30 June] was conveyed to the Interior Ministry and that the ministry did not adopt pertinent measures, then the Interior Ministry has committed an unspeakable act of irresponsibility and negligence. Hence, this would confirm the COB's charges on the inefficiency of the Interior Ministry, which is responsible for state security. [end recording]

Regarding the U.S. political adviser's report on an alleged coup plot between General Sejas Tordoya and the COB, we must emphatically state that it is a slanderous accusation, Justiniano declared. He added: The COB is an organization of the masses, and for this reason it cannot become involved in clandestine conspiracies. All actions by the COB are public, and its principles compel it to act openly in the eyes of the people and the nation. This in turn prevents it from being enticed to get involved in coup plots. Coups are not a form of struggle for workers.

[Begin Justiniano recording] Before 30 June, the COB and Gen Sejas Tordoya had held only one meeting. During that meeting, the COB, following the advice of its attorneys, asked the military authorities to put the people who were detained in Luribay at the disposal of a court. This was the only meeting the COB had held with the commander general of the Armed Forces.

Fifth: [number as heard] in reality, this is an enveloping maneuver directed against Gen Sejas and not against the COB. This alleged coup plot between the COB and Gen Sejas seeks to arouse a [word indistinct] feeling among Army officers and to create the necessary conditions for Gen Sejas' removal. This uncouth maneuver promoted by the U.S. Embassy is connected with the incidents at the Cochabamba Command School, because it pursues the same objectives. [end recording]

ORURO CIVIC COMMITTEE DEMANDS VENEGAS' RELEASE

PY271556 La Paz Cadena Panamericana in Spanish 1130 GMT 27 Jul 84

[Report from Oruro by correspondent Jorge Barrientos Zapata]

[Excerpt] Good morning: This is a report from Oruro on news that was learned at 0200 today about the emergency meeting being held by the Oruro Civic Committee.

The Oruro Civic Committee has decided to hold the general indefinite strike it declared on Thursday. According to a communique issued at 0200, the committee's position is clear. It maintains that the Interior Ministry must immediately put Oruro Civic Committee President Reynaldo Venegas at the disposal of a court to stand trial for his alleged involvement in the abortive 30 June coup attempt. The committee adds that if no evidence is produced against Venegas, the Interior Ministry must order his immediate release.

Civic Committee Secretary (Victor Araneida Manson) said that according to the members of a delegation that went to Government Palace on Thursday, the labor minister initially told them that he would put Reynaldo Venegas at the disposal of a judge. However, he later told them that this could not be done immediately because the Interior Ministry had to gather the necessary evidence to be submitted to the court.

PUBLIC EMPLOYEES UNION ENDS 72-HOUR STRIKE

PY271521 La Paz Cadena Panamericana in Spanish 1130 GMT 27 Jul 84

[Excerpts] Public administration activities will be conducted normally today following the conclusion of the 72-hour strike ordered by the departmental state workers federation.

Union leaders have rejected the statements made by the labor minister, who declared the strike to be illegal, among other things.

Mario Viveros, secretary general of the state workers federation, has stated that other coercive measures will be adopted if the government does not meet the workers demands before Monday. Viveros told Panamericana that the state workers strike cannot be considered illegal.

According to Mario Viveros, relations between state employees and the government have been strained. He added: The only way to accomplish our goal, which is to be paid the same wages as other public sectors, will be to declare a general indefinite strike as of Monday.

Grebe Says No Salary Increase

PY271902 La Paz Cadena Panamericana in Spanish 1700 GMT 27 Jul 84

[Excerpt] Through the Labor and Labor Development Ministry, the Democratic and Popular Unity [UDP] government has reported that no salary increase will be granted to public employees. In remarks to Radio Panamericana, Labor Minister Horst Grebe stated that there is absolutely no possibility of a salary increase for public employees, who today completed a 72-hour strike.

The public employees, the minister stated, must help strengthen the democratic process which was restored on 10 October 1982. The country expects a patriotic decision from those rendering services to the public administration, he concluded.

FIGUEIREDO WRITES TO CANADA'S TURNER ON DEBT

PY291549 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 25 Jul 84 p 22

[Excerpt] Brasilia -- Brazil proposes "urgent measures" and "realistic and long-standing solutions" to face the foreign debt problem. This proposal is included in a letter President João Baptista de Figueiredo sent on 16 July to the new Canadian prime minister, John Turner, and which was released yesterday by Itamaraty. The Foreign Ministry also distributed the letter which then Canadian Prime Minister Pierre Trudeau sent to Figueiredo on 9 July.

Figueiredo states in his letter that "the foreign debt problem, which has been adversely affecting Latin American countries," has been a "source of continuous concern" for the Brazilian Government.

Brazil feels that the recent meeting in Cartagena in which 11 Latin American countries participated has created "a more propitious climate for dialogue between the creditor and debtor countries." According to the Figueiredo government, the main objective of this dialogue -- based on the joint consideration of the debt issue and its multiple effects -- "will be to look for formulas capable of promoting realistic long-standing solutions to the problem of the excessive burden of servicing the debt and seeking the resumption of development programs in debtor countries and the continuous expansion of the international economy.

Brasilia feels that Cartagena presented "concrete proposals" and "realistic solutions" to either solve or avert foreign debt problems. Admitting that the summit conference of rich countries in London represented "some progress," the Figueiredo government considers the Canadian attitude "innovative and constructive."

FINANCE MINISTER SAYS NO CHANGES IN POLICY

PY271855 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 27 Jul 84

[Text] Nothing will be changed in the economic policy during the second half of the year, Brazilian Finance Minister Hernane Galveas said after a conference given at the Rio de Janeiro Naval War College. Minister Galveas also made the following two statements: The government will end the year with an inflation rate of less than 200 percent. In addition, Brazil still has not outlined a strategy for renegotiating the foreign debt. This issue will only be defined in November.

MILITARY SUPPORT FOR TANCREDO NEVES INCREASING

PY270411 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Jul 84 p 4

[Text] The support of the military for the candidacy of Tancredo Neves for the nation's presidency has increased in recent days, and it has been encouraged primarily by the support which former President Ernesto Geisel is giving to the coordinator of the Liberal Front, Vice President Aureliano Chaves. During contacts with military officers in Rio de Janeiro on Tuesday, 24 July, the vice president explained to them the reasons for supporting the Minas Gerais governor as candidate for the nation's presidency.

General Geisel and former Army Commander General Reynaldo Mello de Almeida were not the only generals who met with Vice President Aureliano Chaves on 24 July. The meeting was also attended by other generals who discreetly but firmly expressed their support. One of the generals who met with Chaves has a long and impressive record. He was one of the first supporters of the upheaval in 1984 and has the image of being moderate. He heard the explanations which the vice president gave to General Reynaldo Mello de Almeida about the reasons that made necessary the democratic alliance between the Liberal Front and the Brazilian Democratic Mobilization Party [PMDB].

Another general who met with Aureliano Chaves said that the democratic alliance might be instrumental in a peaceful transition. Yet another general, who analyzed the succession process, found highly significant the statement by Aureliano Chaves that he will not tolerate attacks against the principles of the 1964 revolution, nor will he admit any revanchism, and Chaves explained why he will not. According to the same general, the psychological war against the Tancredo Neves' candidacy "is already under way, and it is basically promoted by supporters of the candidacy of Senator Paulo Maluf, probably with the cooperation of defenders of the candidacy of Interior Minister Mario Andreazza." The high-ranking military sources called attention to an article published in the last issue of LETRAS EM MARCHA written by a colonel on active service and holding a command post in Rio Grande do Sul, Armando Freitas Rolim. In the article about the succession (written at the time when the military ministers affirmed that the succession was not a question for the military but for the politicians), Tancredo Neves is referred to as the "Brazilian Alfonsin." The writer of the article in LETRAS EM MARCHA, a journal distributed free in the three services of the Armed Forces, calls the Minas Gerais governor "the country's most 'Kerenskiy-like' politician." According to the general who has read the article, "it is the first shot of the psychological war being unleashed behind the scenes against Aureliano Chaves and Tancredo Neves."

OPPOSITION'S ELECTION CHANCES 'VERY GOOD'

WA300654 Rome IPS in English 26 Jul 84

[By Mario Osava]

[Text] Rio de Janeiro, July 26 (IPS) -- The Brazilian opposition may be divided into a variety of political parties and working within electoral rules it strenuously opposes, but it has a very strong chance of winning the next presidential elections. The opposition candidate for president won't be announced until mid-August, but the choice is already made -- Tancredo Neves, a veteran 74-year-old politician who is now governor of Minas Gerais State and leader of the moderate factions in the Brazilian Democratic Movement Party (PMDB), the main opposition force. Neves' victory is assured if he can garner backing from almost all the opposition, and the dissident sectors of the ruling Social Democratic Party (PDS) which formed a "liberal Front" this month under the leadership of Vice President Aureliano Chaves. The PMDB and the Liberal Front are on the verge of uniting in a "democratic alliance." But the small opposition parties and the more leftist sectors of the PMDB are reluctant to join the opposition front, since they see it as tacit acceptance of the current electoral rules, which they reject. Under the current system, Brazil's next president will be chosen early next year by an electoral college made up of 686 federal and state parliamentarians who will convene on Jan. 15.

Since the PDS holds the majority in the college, the electoral system has been the target of an intense political and social storm in Brazil this year, and a widespread movement formed to urge a change to direct balloting for president. Rallies to press for the direct vote drew massive turnouts in all Brazil's main cities from January to April this year, but a constitutional amendment to change the election system was defeated in Parliament in April. The Workers' Party (PT), headed by Luis Inacio da Silva and other trade union leaders, rejects the electoral college, arguing that the opposition can never win in a body created by the military to keep the PDS in power. A group of 61 PMDB legislators, who call themselves the "only direct" camp, also consider the electoral college system invalid, since millions of Brazilians come out into the streets to demonstrate against it. The votes of these parliamentarians and the PT will be crucial to Neves, who faces difficult negotiations in the next few months to urge leftist sectors to support him in the electoral college and to ensure that he draws enough dissident PDS votes.

But top opposition leaders say that won't be hard to do, since the delegates to the electoral college will have to choose between Neves and the PDS candidate, who will probably be legislator Paulo Salim Maluf, considered the least popular presidential contender. Maluf is known as a wealthy politician who has used his considerable wealth to garner support among PDS deputies and Electoral College delegates. Even president Joao Figueiredo predicted that, with Maluf as the ruling party candidate, the opposition will win the presidency. Maluf refuses to drop out of the race, and his candidacy has been a major factor in dividing the PDS. But even if Neves and the democratic alliance take the presidency, the opposition will not have a monopoly on the administration. A Neves victory will mean a power-sharing arrangement with the PDS Liberal Front, which includes some of the major figures identified with Brazilian governments since the 1964 military takeover. Those political leaders include Vice President Chaves and Senator Jose Sarney, who headed the PDS until one month ago and who is now after the vice-presidential candidacy on the opposition slate. Whatever the outcome of the 1985 presidential election, the battle has already shaken up Brazil's traditional political scene. The Liberal Front has made it clear that it intends to become a centrist party, and may prove a strong one since it includes important regional leaders and some state governors. The PMDB, a front including a variety of political tendencies which has existed since the military government installed a two-party system in 1979, is showing increasing internal splintering. If the PMDB takes the administration, with Neves in the president's office, its leftist currents will certainly resist the inevitable dominance of the centrist PMDB sectors. The debate over the presidential succession interrupted efforts several months ago by about 40 legislators of the PT, the PMDB and another small opposition party, the Democratic Labor Party (PDT) to form a socialist party. They decided to postpone the project until after the presidential election.

In the PDT, led by Rio de Janeiro State Governor Leonel Brizola, an important sector is pressuring the party to define itself as a democratic socialist group in the near future. A PDT conference to discuss the matter is planned for early October. The Brazilian opposition also includes various communist factions which are legally prohibited from forming a party and are incorporated into other parties, particularly the PMDB and the PT. The Brazilian Labor Party (PTB), which has 13 of the total 479 deputies and one of the 69 senators, is the most traditional opposition force, but has supported the government on various issues in exchange for PTB positions in state companies. These smaller groups may join the opposition front in the unlikely case of a ruling party election victory, but will split into more defined opposition factions if Neves wins.

NEVES CAMPAIGN TO BE LAUNCHED 7 AUGUST

PY271858 Sao Paulo Radio Bandeirantes in Portuguese 1555 GMT 27 Jul 84

[Text] The launching of Tancredo Neves' campaign for president of the Republic has been set for 7 August at 1700 in Brasilia. A document entitled Commitment for Change will be signed on that occasion, formalizing the so-called Democratic Alliance between the Brazilian Democratic Party [PMDB] and the Social Democratic Party [PDS] Liberal Front faction.

PMDB President Ulisses Guimaraes has explained that a democratic commitment is the basic guideline of the agreement. The document will be singed only by Vice President Aureliano Chaves and Minas Gerais Governor Tancredo Neves.

REPORTAGE ON VISIT OF BRAZIL'S FOREIGN MINISTER

Meets Officials

PY271358 Santiago Domestic Service in Spanish 1100 GMT 27 Jul 84

[Excerpt] Brazilian Foreign Minister Ramiro Saraiva Guerreiro has said that the region has the political will to solve the foreign debt problem. He made this statement following a meeting with Interior Minister Sergio Onofre Jarpa.

Saraiva Guerreiro added that, beyond all doubt, the region is gradually becoming more clearly aware of the importance of the issue. Even creditor nations, he said, have realized that they have to make an effort, even if small, to promote world economic growth. He then explained that it is also important that creditor countries reactivate their economies.

Saraiva Guerreiro pointed out that since he arrived in Chile he has been working on very interesting proposals put forth in the Consensus of Cartagena, which was issued in Colombia, where Latin American economy and foreign ministers met to analyze the foreign debt problem. He said that the search for a dialogue between debtor and creditor will continue.

Concerning his meeting with Minister Jarpa, Saraiva Guerreiro said that they exchanged views on general issues without touching on details.

The Brazilian foreign minister was later granted a special audience by President Augusto Pinochet, who received the visitor in his office. The meeting was attended by Chilean Foreign Minister Jaime del Valle, the Brazilian ambassador, and other dignitaries. No report was released on this audience.

Speaks on Debt, Beagle Issues

PY271929 Santiago Domestic Service in Spanish 1730 GMT 27 Jul 84

[Text] In a speech he made at ECLA headquarters, Foreign Minister Ramiro Saraiva Guerreiro called upon Latin American countries to cooperate in order to overcome their current difficulties. The minister also signed an agreement with ECLA on behalf of the Brazilian Government.

In his speech, Saraiva Guerreiro stressed the need for close ties of cooperation among the Latin American countries in order to cope with the current difficulties. After recalling that there are mutliple affinities ranging from cultural to economic matters among Latin American countries, Guerriero said that it is important that they develop ties of cooperation among themselves, in addition to the traditional relations with developed nations and with countries from other regions of the world. He also said that the current adversities should be approached from a constructive viewpoint, and that all possibilities to overcome the current situation must be considered.

We have just received a report by Hugo Reyes in our press room: Foreign Minister Ramiro Saraiva Guerreiro will end his official 3-day visit to Chile in approximately 15 minutes. He will be officially seen off at Arturo Merino Benitez Airport by Foreign Minister Jaime del Valle and other high-ranking government officials.

Guerreiro has said that a solution to the Beagle dispute is very important for Latin America. He added that the solution should be sound and durable in order to guarantee a peaceful and balanced settlement. He explained that he discussed the matter with Foreign Minister Del Valle, as he did previously with Argentine Foreign Minister Dante Caputo.

Joint Communique Signed

PY272337 Santiago Radio Cooperative in Spanish 1715 GMT 27 Jul 84

[Report by Carmen Castro]

[Excerpt] Brazilian Foreign Minister Ramiro Saraiva Guerreiro has noted that an immediate solution to the southern border dispute between Chile and Argentina is of particular importance.

The Brazilian foreign minister talked with journalists today after he and Foreign Minister Jaime del Valle signed a joint communique. The Brazilian foreign minister noted: Naturally we have always hoped that the two countries will arrive at a agreement over this dispute. It is important for the two countries involved, and for all of us, for these countries to overcome this conflict. We are very happy and hopeful over what has happened.

Regarding the treatment of Chilean copper exports in the United States, the Brazilian foreign minister criticized protectionist U.S. copper measures. He added that we have always opposed all protectionist measures because we are an exporting country and because we believe that any protectionist measure or measures aimed at decreasing the prices of resources are extremely negative since if these countries are not well-paid for these products or their work, they will be unable to pay their debt.

Both foreign ministers today reasserted their support for the principles established in the UN Charter, particularly those pertaining to the sovereignty of nations, self-determination of nations, nonintervention in the domestic and foreign [as heard] affairs of other nations, and the nonuse of threats and force.

At the end of his meeting with journalists, Saraiva Guerreiro did not discard the possibility that Chilean President Pinochet may visit Brazil, but he declined to supply any specific information.

CHEYSSON STOPS EN ROUTE TO VENEZUELA

PY292155 Paris AFP in Spanish 1854 GMT 29 Jul 84

[Excerpt] Santiago, 29 Jul (AFP) -- French Foreign Minister Claude Cheysson today stayed in Santiago for 1 hour but he did not contact any representative of the Chilean military regime. Cheysson's plane (Avianca), which was traveling from Argentina to Venezuela, made a stopover in Santiago to board passengers.

According to the semiofficial news agency ORBE, the minister did not descend from the plane, meet with any government official, or made statements to the press.

PINOCHET CONDEMNS VIOLENCE, CARABINERO'S DEATH

PY281504 Santiago Domestic Service in Spanish 1100 GMT 28 Jul 84

[Text] President Augusto Pinochet has stated that the entire country repudiates violent incidents, which can only lead to chaos and desolation. The president was referring to the serious incidents that took place in the district of Pudahuel, where a Carabineros lieutenant was murdered.

The president stressed the seriousness of the incident in a note of condolences that he addressed to General Cesar Mendoza, director general of the Carabineros. In his note the president stated that every Chilean feels a sense of loss with the murder of this new Carabineros martyr, who gave his life while he was carrying out the sacred mission of protecting the people.

The director general of the Carabineros has stated that fighting crime, terrorism, and extremism will be the answer to the subversive campaign that is being carried out against the government. General Cesar Mendoza made this statement after attending the wake of Lieutenant Julio Allende Ovalle. When he was asked about the measures that are to be adopted in view of these subversive actions, he said that they cannot be revealed, but that they will be applied within the constitutional and legal norms that are currently in force.

General Santiago Sinclair, minister secretary general of government, and General Fernando Paredes, director of the Investigative Police, also attended the wake of the Carabineros lieutenant.

JARPA DISCUSSES INCIDENTS, EXPELLED COMMUNISTS

PY281912 Santiago Domestic Service in Spanish 1730 GMT 28 Jul 84

[Excerpt] Minister Jarpa has stated that incidents like the recent murder of a Carabineros lieutenant are forcing the government to adopt measures that it does not want to adopt. The interior minister made this statement after attending the funeral of the new martyr of the uniformed police, Lieutenant Julio Allende Ovalle.

[Begin Jarpa recording] A feeling of grief and [word indistinct] regarding the murder of this very young officer, a very distinguished person who was so well liked by his institution and comrades-in-arms. Incidents such as this are very painful and in addition they force us to adopt legal measures that at times we do not want to adopt, but the government must guarantee the security of the people, it must look after the lives and rights of everyone. Therefore, we must continue on this path, without tiring or becoming distracted or desperate; we must remain calm. The people can rest assured that the government will act with moderation, but adopting all necessary measures to guarantee the rights and security of everyone. [end recording]

On leaving the General Cemetery, the minister was asked about the announcement that was made by the expelled Communist leaders that they will try to reenter the country. On this subject, Minister Sergio Onofre Jarpa stated that all the pertinent legal measures are being taken.

[Begin Jarpa recording] All the necessary measures are being taken in accordance with the law, the Constitution, and the security organizations. [end recording]

DEMONSTRATORS RIOT, PROTEST AGAINST GOVERNMENT

PY271337 Paris AFP in Spanish 0443 GMT 27 Jul 84

[Text] Santiago, 27 Jul (AFP) -- At least six persons were wounded in last night's violent incidents in Santiago, Chile, at the end of a day of protest against the military government that was organized in the heavily populated community of Pudahuel.

According to eyewitnesses, an officer of the militarized Carbineros police is among those who were wounded. He was shot in the head. A 19-year-old demonstrator was shot at from a moving car. The same eyewitnesses added that approximately 50 demonstrators were arrested during the disturbances.

The antigovernment demonstrators burned barricades in several of the streets of the community of 400,000, and the police used tear gas and water cannons against the demonstrators.

Although the protest was a community affair and it did not extend to the rest of the Chilean capital, there were incidents and barricades in the southern area of the city, in the communities of La Granja and Nunoa. In the latter, groups of students shouting antigovernment slogans were repressed by Carabineros, but there was no official report on arrests.

[Paris AFP in Spanish at 1221 GMT on 27 July added that "a lieutenant of the Chilean Carabineros police died today in Santiago after being shot in the head during the street incidents that occurred yesterday in the community of Pudahuel, according to a report from Carabineros headquarters."]

Further Report

PY271824 Paris AFP in Spanish 1513 GMT 27 Jul 84

[Text] Santiago, 27 Jul (AFP) -- A policeman and a civilian have been wounded in a new outburst of antigovernment demonstrations in the poor community of Pudahuel, on the western outskirts of Santiago. According to an official report, the policeman was stabbed and the civilian was shot in the leg. This street confrontation took place early this morning when demonstrators who were trying to stop traffic in the sector were being repressed. A few hours earlier an unidentified commando set a bus on fire that was parked in front of its owner's house.

On Thursday the Pudahuel community was the scene of violent demonstrations against President Pinochet's military regime, and a Carabineros lieutenant was shot dead during the conflict. In addition, 5 civilians were wounded by gunfire and 25 others were arrested when they were removed from barricades set uy by demonstrators. The demonstrations against the government were organized by a leftist-oriented commando of popular organizations.

Also on Thursday, a group of students clashed with police near a school in western Santiago. They were demanding that six dissident students who had been expelled from Catholic University be readmitted.

MINISTER COLLADOS ANNOUNCES 3-YEAR ECONOMIC PLAN

PY270334 Santiago Domestic Service in Spanish 2300 GMT 26 Jul 84

[Text] A 3-year economic plan provides for the establishment of 400,000 new jobs between 1984 and 1986. This announcement was made by Economy Minister Modesto Collados during a ceremony in which the 3-year economic plan was officially disclosed. During the ceremony the economy minister briefly discussed what the economic plan provides for each sector.

[Begin Collados recording] The estimated growth rate for 1984 in the industrial sector is 9.2 percent. It is established that during the other years encompassed in this economic plan that the manufacturing industry will grow at a rate that will surpass the average economic growth rate. These goals are compatible with an average annual investment rate of 4.373 billion pesos during the 3-year period. I am talking about the value of pesos in 1977.

In this sector I must note those tools implemented to promote exports, such as the enforcement of a high exchange rate. We must also note that we shall continue to enforce those policies that have already been implemented by the Economy Ministry to promote national products under equal conditions and the development of small enterprises. [end recording]

The economic plan estimates that the growth in the agricultural-forest sector will be 8.7 percent. It is estimated that 2.4 billion pesos will be invested in this sector and that the hiring of manual labor and promotion of exports will be granted priority. The economy minister noted that special loans [poderes compradores] will be granted to cereal grains and that the government will continue its policy to grant credits and establish price ranges for wheat and oilseeds.

[Begin Collados recording] The economic plan estimates that the construction sector will grow 8 percent and that the sector should have a higher growth rate in the following years as a result of government policies and programs. To achieve this we need an average yearly investment of 10.552 billion pesos in the housing sector and 5.449 billion pesos in the public works sector. The 3-year plan provides for the construction of 64,500 new houses, housing subsidies for the building of 54,000 new houses, property lots with 48,000 housing units, and a [word indistinct] financing system that will allow the construction of 29,000 housing units. [end recording]

The 3-year plan provides for 16 programs in the public works sector, among which are the construction of a part of the Americo Vespucio Highway and access roads to the San Antonio and San Vicente ports. It is estimated that the mining sector will grow at an annual rate of 0.2 percent and that the government will carry out plans to promote the development of the small-size mining sector.

[Begin Collados recording] It is estimated that the business sector will grow 2.9 percent in the present year, while in coming years it is estimated that it will grow slightly less than the average economic growth rate. Among those policies worth noting in this sector are: at the domestic level, freedom of prices, free access to markets, regulation of illegal trade, and consumer protection; at the international trade level, open trade policy to promote exports through a high exchange rate and the effective replacement of imports. [end recording]

It is estimated that the energy sector will increase its demand at an annual rate of 4 percent and that there will be an average yearly investment of 13.8 billion pesos. It is estimated that the fishing sector will record an increase of 4.5 percent in 1984, and that the average yearly investment will total 1.255 billion pesos. It is estimated that the telecommunications sector will increase an average 4.9 percent and that the transport sector will increase 4.9 percent [as heard].

[Begin Collados recording] The development goals established in this 3-year economic plan, 1984-1986, will allow us to overcome the present difficult situation we are confronting. The effort that each Chilean will make to build a great fatherland will help us achieve better living conditions for all Chileans, particularly for those who today are the victims of the scourge of unemployment. This effort that the entire community will make is aimed at achieving three main goals in this 3-year period: a decrease in unemployment; increase of exports; and an increase of domestic savings.

We must lower unemployment to reasonable rates so as to assure the harmonious development of society. This means that we must lower an unemployment rate that will reach about 12 percent by the end of this year to a rate of 9 percent by the end of 1986. This level could decrease even further if there are favorable conditions at the international economic level. There will be an increase in employment as a result of a growth in the GDP which will allow for approximately 400,000 new jobs during this 3-year term. [end recording]

Collados also noted the decision to gradually decrease the special job programs, particularly those having less impact in the production sector. These programs will be replaced by public works which will demand more manual labor and educational programs aimed at decreasing manual labor.

Collados also called on all Chileans to work and save to overcome the present difficulties of the country.

COURT CONFIRMS SENTENCES FOR SLANDERING PINOCHET

PY271408 Santiago Domestic Service in Spanish 1730 GMT 26 Jul 84

[Text] The Punta Arenas Appellate Court has confirmed the sentences given to seven persons accused of slandering the president of the Republic. Our branch office in Punta Arenas, Radio Nacional de Chile of Punta Arenas, will now give us further details:

Seven of the eight persons condemned by the lower court in the wake of incidents that took place in the Punta Arenas Cathedral on 26 February 1984 received prison sentences of 541 days, according to a decision issued this morning by the Punta Arenas Appellate Court. The ruling, adopted unanimously by the judges, gave this sentence to Petroleum Workers leader Jose Ruiz Diggiorgio; economist and former manager of a local bank, Carlos Pradel; Pedro Diaz Dominguez; Victor Critti Maldonado; Jose Ruiz Vargas; Jose Aqueveque Gacarbo; and Juana Navarro Robles. The last five are all workers except for Juana Navarro Robles, who is a housewife. The court has decided to acquit Susana Guerrero Toledo, who argued through her defense that she has serious psychological problems.

All those sentenced by the Appellate Court were charged with violating Article 6 of the State Internal Security Law by slandering the president of the Republic.

LABOR FRONT ADDRESSES LETTER TO PRESIDENT REAGAN

PY281902 Santiago Domestic Service in Spanish 1730 GMT 28 Jul 84

[Text] The Chilean Labor Front has sent a letter to President Ronald Reagan in which it expresses the workers' concern over the proposal to restrict Chilean copper imports. In the letter, the Front points out that if this measure is implemented, the resulting effect on Chile's economy will be disastrous because of the importance that copper has in Chilean exports. The letter sent to President Reagan stresses that the United States can seek other means to protect the welfare of its citizens. In conclusion, the Chilean Labor Fronts expresses its confidence that the decision of the U.S. Chief of State will not harm our country.

AD OBJECTS TO GOVERNMENT HANDLING OF BEAGLE TALKS

PY280048 Santiago Radio Cooperativa in Spanish 1715 GMT 27 Jul 84

[Report by Manuela Robles]

[Excerpt] In view of the recent announcement made by Argentine President Raul Alfonsin regarding an imminent agreement between Chile and Argentina over the so-called Beagle conflict within the framework of the papal mediation, the Democratic Alliance [AD] has noted that in the almost 11 years that this government has been in power it has never resorted to holding consultations on international issues that concern permanent national interests and regarding which all democratic governments seek to have a wide consensus.

The AD adds that the arbitration proceedings lack the framework that they enjoyed during the administrations of Presidents Frei and Allende, which with the approval of the National Congress and of all political forces assured the recognition of Chile's historical rights in the disputed area through the award issued in 1977 by Her Majesty the Queen of England who based it on the unanimous decision of five judges of the International Court of Justice.

The opposition group notes that the Chilean Government lacks the authority and international support [passage indistinct] as of that moment it began to accept bases of negotiations which left Chile in a clearly disadvantageous position regarding the legitimate prospects stemming from an award with undisputed legal bases.

The AD adds that the responsibility of the handling of the negotiations and its effects will fall exclusively on the top authority of the country. The AD also states that it fully supports a legal and peaceful solution of all border disputes, one that will safeguard the legitimate rights of the parties involved because it will be the only means through which we shall achieve true peace between our nations. The AD members note that we shall always support an [words indistinct] understanding [word indistinct] a superior and basic objective in relations between Chile and Argentina.

CHRISTIAN LEFT PROPOSES NEW OPPOSITION GROUP

PY280219 Santiago Radio Cooperativa in Spanish 1715 GMT 27 Jul 84

[Excerpt] The Christian Left has proposed that the Socialist bloc, the Democratic Alliance [AD], and the Popular Democratic Movement [MDP] establish a constitutional pact. This information was disclosed by Christian Left leaders headed by (Pedro Felipe Ramirez) during a press conference.

[Begin (Ramirez) recording, in progress] ...the establishment of a constitutional pact based on the work of the Group of 24. This pact will help to establish common criteria and those positions that will be adopted by democratic political organizations during the transition period.

2. The establishment of a political agreement among opposition groups that will help all those political parties and social groups that strive to restore democracy in Chile to undertake joint actions.

This political group will be in charge of mobilizing the people. [end recording]

ARMS FIRM EXPECTS RECORD SALES TO MIDDLE EAST

WA270345 Rome IPS in English 26 Jul 84

[By Luis Alberto Jara]

[Text] Santiago, July 26 (IPS) -- A Boeing 747 left Chile's international airport quietly early this morning for Baghdad, Iraq, carrying a load of cluster bombs. The jumbo jet, loaded on the runway under tight security last night, was one of a series of flights carrying cluster bombs to the Middle East nation under an agreement between the Iraqi Government and a Chilean arms manufacturer, Cardoen.

The private firm's best customers, besides Iraq, which is locked in the four-year-old Gulf war with neighboring Iran, are mostly Latin American states, according to company officials. "The cluster bombs we make are of a superior quality to those produced in the United States," boasts company President Carlos Cardoen.

The company expects to earn several hundred million dollars this year, far above sales last year, according to Cardoen International Sales Chief Daniel Prieto. The market, he added, is "fundamentally the Middle East." Carden's merchandise includes armed personnel carriers, light arms, "Pillan" military training planes, and the cluster bombs. Some Chilean officials say U.S. restrictions on arms sales to Chile because of the country's poor human rights record gave birth to the Chilean arms industry. The conservative morning daily EL MERCURIO quoted a senior military official as saying, "Really, we should erect a monument to Kennedy." The official was referring to Massachusetts Senator Edward Kennedy, who authored a prohibition against U.S. arms sales to Chile in the 1970's, after charging the Gen Augusto Pinochet government with "grave and repeated human rights violations." Since then, the private arms industry has flourished.

Last March, Santiago was the site of an international air show, where arms-producing firms in Latin America, the United States and Europe exhibited war planes. In 1986, says Air Force Commander Gen Fernando Matthei, the show will include armaments.

Chilean arms manufacturers are most proud of the "Pillan" military training plane, which will be exported to other Latin American states and Western Europe and which was built totally in Chile. The National Aeronautics Company (ENAER) and the Spanish arms firm, CASA, signed an agreement last year for the sale of 40 Pillans to Spain and the purchase of 21 CASA-C101's for training Chilean pilots,

Chilean military officials reportedly began promoting a domestic arms industry in earnest when the crisis over the Beagle Channel erupted with neighboring Argentina. Pope John Paul II helped to soothe the tensions when he began his mediation of the territorial dispute. But the fear of war had the Chilean Army calling on private industry to do its part in seeing to the defense of the country by manufacturing arms.

Cardoen, which began as a producer of explosives for Chile's all-important mining industry, shifted to the manufacture of anti-tank mines and an armed personnel carrier under a Swiss license. It later developed a troop carrier of its own, at a substantial reduction in cost.

"We had to cover a long road to produce, manufacture and sell bombs, cars, anti-tank mines, and other [weapons]," Sales Chief Prieto said earlier this month. "The experience helped us to produce more sophisticated arms, such as the cluster bombs." But, he was quick to add, "Our country is one of the least militarist in Latin America."

M-19 COLUMN AMBUSHES ARMY TROOPS IN HUILA

PA280346 Paris AFP in Spanish 0143 GMT 28 Jul 84

[Text] Bogota, 27 Jul (AFP) -- Three soldiers and six guerrillas were killed in clashes that took place today in southern Colombia, official spokesmen reported here tonight.

According to the command of the Army's 4th Division, which includes the Puma Company, within the Magdalena Battalion, Army troops were ambushed by a 19 April Movement (M-19, extreme nationalist left wing) column in Huila Department, about 330 km from Bogota.

Meanwhile, press reports stated that the clash disrupted an insurgent summit meeting that was to be held somewhere between the Huila villages of Garzon and Gigante.

The attackers were led by Gustavo Arias Londono (Boris), leader of a dissident M-19 column. The M-19 Movement is about to sign a truce with the government.

Corporal Jose Fierro and soldiers Juan Joven and Octavio Ordonez fell in combat. The identity of the extremists who were killed, whose companeros are being pursued by regular troops with Air Force support, is unknown.

WORKERS SELF-DEFENSE SUSPENDS PEACE TALKS

PA280331 Bogota Cadena Radial Super in Spanish 0000 GMT 28 Jul 84

[Text] Bogota -- The extremist Workers Self-Defense [ADO] movement has announced at a press conference [words indistinct] truce with the government, and that it has instructed its leaders to suspend talks with the peace commission immediately.

The ADO leaders told media representatives that President Betancur has not given the slightest attention to the letter that the organization addressed to him proposing a national dialogue.

The guerrilla organization has indicated that the oligarchic state has used people having nothing to do with ADO to convince the public that the organization will sign agreements with its executioners. The ADO said that such an agreement would simply be used for propaganda about efforts to bring peace to the country.

BRIEFS

OIL FIND -- The oil conglomerate formed by the Colombian Petroleum Enterprise, Elf Aquitaine, Houston Oil, and Louisiana Land has announced the discovery of excellent quality oil, natural gas, and condensed [condensados] gases in the Morichal II well, near Yopal, in eastern Colombia's Casanare Intendancy. Initial drilling yielded 3,600 barrels of crude, 1,300 barrels of condensed gases, and millions of cubic feet of natural gas per day. [Summary] [Rome IPS in Spanish 0422 GMT 28 Jul 84 PA]

AVIATION TALKS WITH U.S. END WITHOUT AGREEMENT

PY280346 Paris AFP in Spanish 0021 GMT 28 Jul 84

[Excerpts] Lima, 27 Jul (ARP) -- It was announced here today that the second round of talks between Peru and the United States, which was designed to end the airlines war that has halted direct commercial flights between the two countries since 21 May of this year, has ended without agreement.

The Peruvian Transport Ministry reported that some progress was achieved at the meeting which has just ended, but the technical complexity of the issues and the fact that it would be impossible to continue talks during Peruvian Independence Day celebrations (27 and 28 July) precluded an agreement. The Transport Ministry spokesman said that in view of this the delegations have decided to take some time to evaluate the results of the negotiations and will meet again to decide on a mutually satisfactory solution. No date for the next round of talks has been mentioned.

The Transport Ministry also indicated that the two delegations agreed that the objective of the talks is to reestablish the flights between the two countries under equitable and mutually advantageous conditions. It has been reported that the United States wants the right to pick up passengers in Lima for points south, such as Buenos Aires, and cargo from Panama to Peru. The Peruvians believe that this would tip the balance in favor of U.S. companies.

AFP: LA PRENSA PUBLISHES ABBREVIATED EDITION

PY280333 Paris AFP in Spanish 1645 GMT 27 Jul 84

[Text] Lima, 27 Jul (AFP) -- In the wake of the closedown of three newspapers in Lima, the metropolitan daily LA PRENSA was able to publish only an abbreviated edition today. In this edition the newspaper called upon its colleagues for solidarity in order to prevent total closure.

With Pedro Beltran as its publisher, LA PRENSA, which used to be one of the most up-to-date metropolitan dailies, had revolutionized Peruvian journalism by dynamizing the dissemination of information, making it more objective and keeping political opinion and news separate.

LA PRENSA even compelled another considerably influential newspaper to change the format of its front page where only ads were being printed. It also influenced other newspapers which carried only international news on their front pages, relegating national events to back pages. The workers of LA PRENSA had gone on strike on 26 July, when they failed to receive their salary for July and the bonus (1 month's salary) which is usually granted on the occasion of Independence Day.

In a lengthy explanation which took almost the entire front page of today's issue, the workers explained that they backed down when they realized that the newspaper was on the verge of bankruptcy and that in view of this they decided to go ahead and publish, as a token gesture, today's abbreviated edition and to keep going as long as possible to stop the newspaper from closing down completely.

PLANE CRASHES ATTRIBUTED TO SMUGGLER SABOTAGE

WA300748 Rome IPS in English 25 Jul 84

[By Alejandro Kirk]

Caracas, July 25 (IPS) -- A mysterious helicopter crash that killed four Venezuelan officials this week in the Amazon jungle has added to speculation that diamond, gold and drug smugglers are sabotaging government efforts to investigate their activities. The government's efforts to uncover a smuggling network in Venezuela's southeastern wilderness area came to light in late June, when a plane carrying several top authorities disappeared. The plane carrying the comptroller Gen. Oscar Aleman Paredes, Rafael Rodriguez, the Interior Ministry's intelligence chief, and three regional officials took off between El Dorado and Santa Elena de Guairen, about 600 miles southeast of Caracas. But the flight never reached its destination, and an intense two-day search involving more than 60 planes and almost 400 ground units never located the plane or the victims. Aleman was reportedly investigating the routes used by smugglers to take gold and diamonds out of Venezuela into Brazil and Colombia -- an operation which costs Venezuela an estimated $200 million annually.

In the search operation, authorities discovered about 20 clandestine airstrips on private plantations located in areas inhabited by indigenous people. Reporters in the region have found a complex network of illegal traffic in precious metals, drugs, weapons and uranium, in which top officials, former priests, U.S. missionaries, large landowners, former guerrillas and physicians have been implicated. Three different groups reportedly control the smuggling in the vast area between the Ventuari and Orinoco Rivers in Venezuela and the Giaunia Region in Colombia. The Venezuelan area includes Bolivar State, the heart of the country's steel and aluminum industries and an area which is almost virgin Amazon jungle, populated by the traditional residents -- Yecuarana, Yabarana and Piaroa Indians -- and the smugglers. The region is known to most Venezuelans only by the musical names of geographical points there -- the Casiquiare River, the Roraima Mountains, the Churun-Meru Gorge, the Wanay Valley, the Waikirima area and Canaima los Tepuyes, a region of high, steep mesas.

At 1 a.m. yesterday, a helicopter carrying several passengers left Canaima. The helicopter's engine went out after 10 minutes and the craft crashed. According to press reports, the gas tank was empty, indicating that the plane may have been sabotaged. The passengers included Army Major Luis Hernandez, an officer in the Amazon Jungle Division, Interior Ministry Intelligence officials Miguel Rodriguez, a drug control expert, and Jesus Granados, and the pilot.

The incident had revived a controversy here over the government's policy in the jungle region. Interior Minister Octavio Lepage said today that "the Amazon is no man's land" but rejected proposals that the government put the region under military control.

Venezuela recently passed a stringent law against production and sale of illegal drugs, aimed at curbing a business which the justice ministry estimates at $2.7 billion a year. The government is also studying new measures to regulate gold production and distribution. An estimated two-thirds of Venezuela's annual gold production of one million ounces is smuggled out of the country.

ARDITO BARLETTA, REAGAN DISCUSS RELATIONS

PA272023 Panama Televisora Nacional in Spanish 1730 GMT 27 Jul 84

[Text] President Ronald Reagan and Panamanian President-Elect Nicolas Ardito Barletta met this morning in Washington. Barletta said that Reagan encouragingly stated his support for the pacification effort of the Contadora Group. Barletta said that the two discussed relations between their countries, the spirit of cooperation that will exist, positive feelings toward Panama, Reagan's interest in our country's development needs, and the desire to strengthen the democratic process, to serve our country by pulling it out of recession, to take advantage of the Caribbean Basin initiative, and to support the work of the canal's joint commission. Barletta said that this is a decisive period for the Contadora effort. He noted that the Central American vice foreign ministers are trying to secure definite support for their 21 point peace plan.

PRESIDENT ILLUECA REPUDIATES FDN-ARDE MEETING

PA281733 Panama City LA PRENSA in Spanish 28 Jul 84 p 1 A

[Report by Franklin Bosquez D'Giovanni]

[Excerpt] Panamanian President Jorge Illueca has repudiated the meeting that anti-Sandinist representatives of the Nicaraguan Democratic Front, FDN, and Democratic Revolutionary Alliance, ARDE, held in Panama City last Wednesday at which they signed an agreement to jointly fight Nicaragua's current regime. "We respect the sovereignty of states, particularly the Central American ones. No government should allow subversive groups to meet to plot against other countries. If we had known the meeting was going to take place, we would have sent all of the participants to the airport as Mexico did on one occasion," Illueca explained. "We cannot condone that kind of meeting. It goes against international morality and my own," Illueca said.

ORTEGA ON CONCLUDING CONTADORA PEACE AGREEMENT

PA290448 Panama City Televisora Nacional in Spanish 2300 GMT 28 Jul 84

[Text] Panamanian Foreign Minister Oyden Ortega has said that the signing of a peace agreement for Central America depends on the governments of the five countries in that area. In a statement about the Contadora Group's peace efforts, Ortega said:

[Begin recording] [Ortega] A few months ago we delivered to the governments of the area a document called the Contadora Document for Peace and Cooperation in Central America. To date all Central American governments have commented on this document, and the results are positive. They have said that the document reflects the interests of the five countries; that it reflects the atmosphere of negotiation of the last few months; and that it serves perfectly as a basis for opening negotiations on the fundamental aspects embodied in the document.

Therefore, following the latest tour by the deputy foreign ministers through Central America, where they were able to talk with representatives of the Foreign Ministries of these countries, we expect to have a well-organized and systematic final draft to serve as a basis for that much hoped for final negotiation.

We wish to stress that it is very important to take into account that Contadora has made a sustained and constant effort and that reaching a satisfactory agreement depends now on the will of those five Central American countries.

In other words, the final decision, the final effort must be made by the Central American governments.

Contadora will always be willing to help, mediate, and participate. However, they now have the final say.

[Unidentified reporter] Finally, Mr Minister, has any date been set for a new meeting of the group?

[Ortega] The Contadora Group must meet within the next few weeks. We will do so once we have a systematic draft including the observations and comments of the Central American governments. [end recording]

GENERAL NORIEGA RETURNS AFTER VISIT TO PERU

PA291454 Panama City LA ESTRELLA DE PANAMA 29 Jul 84 p A 1

[Text] General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, returned to Panama yesterday afternoon after completing a mission in Peru. Gen Noriega went to Lima following an invitation by the Peruvian Army, which took the opportunity to decorate the ranking Panamanian military officer. We welcome Gen Noriega home and congratulate him for his successful 3-day mission in Peru.

BRIEFS

GOVERNMENT REVENUE -- The Panamanian Government collected $427.8 million in taxes between January and June 1984. This figure meets the goal that the government and the IMF had established, thus securing the approval of an IMF loan of $27.5 million scheduled for August. [Summary] [Panama City LA ESTRELLA DE PANAMA in Spanish 25 Jul 84 p A 1 PA]

COCA PLANTATIONS -- As a result of constant patrolling of the area, the Defense Forces have discovered new coca plantations in the mountains of Darien Province, near the communities of Paya and Payita, and near the Colombian border. Local militarymen are currently destroying them. According to Lieutenant Colonel Elias Castillo, there may be a relationship among a recently discovered coca-processing laboratory, 40 bandits denounced by the local people, and the recently discovered plantations. Castillo dismissed the possibility that guerrillas might be involved. In his view, the individuals involved may have been guarding the plantations, but escaped when the Panamanian militarymen arrived. The owners have not been identified, but it is believed that they could be Colombians. The Panamanian militarymen met later that day with their Colombian counterparts in Unguia, Colombia, to reportedly discuss the antidrug struggle. [Summary] [Panama City Circuito RPC Television in Spanish 2300 GMT 24 Jul 84 PA]

ECONOMY MINISTERS DISCUSS ECONOMIC INTEGRATION

PA280502 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 28 Jul 84

[Text] The economy and trade ministers of the five Central American countries are in Guatemala City today discussing Central American economic and integration problems, trying to find ways to revitalize the integration process. Guatemalan Economy Minister Leonel Hernandez Cardona, who was chosen as the facilitator of the debates, noted the need to reassert the integration plan and proposed, among other things, a new tariff, which has already been considered by the region's integration organizations.

Meanwhile, Nicaraguan Foreign Trade Minister Alejandro Martinez Cuenca stressed that Nicaragua is still determined to remain a member of the CACM, and advocated the strengthening of CACM institutions, such as the Secretriat of Central American Integration, SIECA, which organized the conference. Honduran Economy and Commerce Secretary Camilo Rivera Giron suggested that the Central American system be restructured to remove Honduras' disadvantage, as it is the region's weakest country in industrial terms. Later, Costa Rican Economy Minister Odalier Villalobos said that the various commitments therein should be complied with. Salvadoran Minister Ricardo Gonzalez Camacho said that his country is willing to support all measures seeking integration.

Also attending the conference were Dante Ramirez, president of the Central American Bank of Economic Integration, BCIE; Mario Gomez, secretary of the Central American Monetary Council; and E. de Ingram, deputy director of the Central American Industrial Research Institute, ICAITI.

The ministers have based their disussion on a document proposed by the SIECA and the above-mentioned integration organizations. It has been reported that the agenda also includes the joint stance that the Central American countries will take in their meeting with the EEC in San Jose in September.

COSTA RICA

'RIGHT-WING' ARMED GROUP EMERGES, CLAIMS ATTACK

PA291635 Paris AFP in Spanish 1518 GMT 29 Jul 84

[Text] San Jose, 29 Jul (AFP) -- San Jose authorities today reported the emergence of a right-wing armed group, which, under the name Costa Rican People's Army [Ejercito del Pueblo Costarricense], EPC, carried out its first action "against Marxism-Leninism" by killing a purebred horse "owned by friends of the Sandinist government."

Carlos Camacho, deputy director of Costa Rica's Rural Police, said that someone calling himself "Commander Javier" made a phone call in which he claimed that the EPC was responsible for the killing of the Appaloosa horse, which took place Thursday during a livestock fair in Liveria, in northwestern Costa Rica. Camacho explained that "Javier" said that the EPC killed the animal to "prove that the group is effective," and added that the undergorund organization, "will release a manifesto to the people in the next few days defining its position." Commander "Javier" said that the EPC operates throughout Costa Rica and that its members "are well armed" and "have mined several locations."

For his part, Camacho said that the Intelligence and Security Directorate, DIS, will look into the case.

For several months now there have been rumors that clandestine groups are operating in northern Costa Rica, which borders on Nicaragua. However, this is the first time that one of them has come forth and claimed responsibility for a specific action.

EL SALVADOR

DUARTE PRESS CONFERENCE ON NICARAGUA, FOREIGN AID

PA272336 San Salvador Radio Cadena YSKL in Spanish 1735 GMT 27 Jul 84

[President Jose Napoleon Duarte Press Conference in Government House in San Salvador -- live, broadcast in progress]

[Excerpts] [Beltran] Raul Beltran, reporter for YSKL and VOA. Mr President, some right-wing [as heard] sectors and their followers in our country are displeased because the government has refused to admit that because of pressure from some organizations in El Salvador, particularly right-wing or conservative organizations, it decided not to send a delegation to the commemoration of the fifth anniversary of the Nicaraguan revolution. Could you give us your opinion on this issue? Secondly, it has been said -- and there are reports from high officials at the Central Reserve Bank and the Finance Ministry in this regard -- that studies are hurriedly being undertaken on a possible devaluation of our currency. Could you please inform us personally about this?

[Duarte] Gladly. To begin with, let me state that I make political decisions in my capacity as president of the Republic. Before leaving, I decided not to send a delegation to Nicaragua for major political reasons.

When I arrived in Europe I found that Nicaragua, the FMLN-FDR, and the left wing had mounted a campaign specifically intended to prevent me from opening Europe's doors to an understanding of our problems. One of the things they did was to send Daniel Ortega to Europe a few days ahead of me. One of the points raised by Ortega at a given moment was that he had helped, is helping, and will continue to help the Salvadoran guerrillas. He placed himself in a position that showed that I am not the aggressor, and that it is he who is openly and directly attacking and intervening in our country. Therefore, at that moment, I wrote the message I sent to the Presidential House containing my order and the three steps that I suggested. First of all, I suspended the trip. There was no sense in making it, because all Europe realized that he was the aggressor and that it was he who was looking for conflicts and confrontation. Obviously, he has declared himself guilty of intervention. Secondly, I ordered that we lodge a formal protest with Nicaragua in this regard. Thirdly, I ordered that studies be made to submit a complaint to the International Court of Justice at The Hague about Nicaragua's intervention in El Salvador's affairs.

This answers your first question. The second question is about devaluation. This card is constantly being played. Each time some people wish to create a crisis in El Salvador they resort to rumors about devaluation. However, no one ever says where the rumors originate. I said frankly when I delivered my report to the nation that some forces wish to devalue our currency, that there are conditions that constitute pressure to devalue our currency. This is true, and no one can delude himself about it. We know that coffee prices are slumping and that, at the same time, people want more money for their coffee.

Let's not deceive ourselves. We would not be able to survive without U.S. aid, and we must thank President Reagan for the great effort he has made to grant us aid that allows us to survive in our country. Since this is our situation, we are maneuvering, we are trying to shore up our country's economic situation. We have had to set priorities for this reason. A devaluation would mean placing the country in a situation in which the poor would immediately suffer most, because products would be completely deregulated and there would be no way to adjust salaries so that they could keep pace with the devaluation spiral.

That is why I have proposed an economic plan that is functioning. I have called it economic sliding [deslizamierto economico]. What this means is that we must pinpoint the products that are vital to the county and give priority to those vital products. I also issued a decree, in conjunction with the cabinet, to establish austerity, so that the government would comply with this effort and set an example in this process that we will be experiencing. Therefore, and to answer your question categorically, I do not agree with devaluation. I think that we must [word indistinct]; and that we must make adjustments [words indistinct].

[Gutierrez] Jose Arturo Gutierrez, of [word indistinct] of El Salvador. Mr President: The guerrillas have announced that they will carry out a large-scale offensive in the next few days. My question is: Is there any plan to counteract this offensive, and what attitude should the Salvadoran people take, in your opinion? According to other reports, you are prepared to sign a peace agreement with Nicaragua, even though the Sandinists are supplying weapons to the Salvadoran guerrillas. If this is so, could you please tell us the (?basis) on which such an agreement would be signed?

[Duarte] First of all, let me state that the Armed Forces Joint Chiefs of Staff have drafted the necessary plans to guarantee the nation's security.

As for your second question, [words indistinct], well, let me state that with respect to the supposed treaty with Nicaragua, your question obviously [Duarte changes thought] ...the way you couched your question, it suggests that I would propose that a treaty be signed even though the Nicaraguans are sending weapons to El Salvador.

I wish to change the meaning of your question, because the statement I made in Europe is the very opposite of what you have suggested. A newsmen there asked me if I would be willing to sign a treaty with Nicaragua, and I told him that, always provided it stopped its support for the guerrillas, stopped using subversion and exporting revolution to the rest of Central America, I would be willing to sign a treaty not only with Nicaragua but with any other country in the world that shows respect, as we do.

[Campos] Marina de Campos, representative of LA PRENSA GRAFICA. With all due respect, Mr President, I have listened attentively, and some Salvadorans are happy to know that things have opened up a short time ago and that you have been offered some assistance. Concretely, and [words indistinct] a brief response how long do you actually feel it will take for the Salvadoran people to receive the socioeconomic benefits that have been offered to you, and will the assistance coming from West Germany, the 50 million [currency not specified] to be more precise, be invested primarily to generate jobs?

[Duarte] To begin with, I can tell you that I will meet this afternoon with the U.S. ambassador and I expect that within the week, or better put, before 6 August, the country will have the $50 million we have been talking about in recent days. I am talking about $50 million in U.S. assistance at the moment.

Secondly, the U.S. Congress will probably discuss the matter of assistance for El Salvador within the next 3 weeks. This involves both military and economic assistance. However, some senators have supported me and have promised that they will help me to obtain the economic assistance that our country urgently requires. I have asked them to help me and to see if this special assistance can be passed within the next 3 weeks. As for the DM50 million in assistance from Germany, it is supposed to be in El Salvador before the end of September. Thus, we have the months of July, August, and perhaps September to prepare all of the basic documents.

It now falls on the cabinet ministers to continue the efforts to arrive at the signing, (?to work out) the details. The money is expected to be in El Salvador in September.

You talked about generating jobs, and I can state that at this moment one aspect of the credit that the United States has given us is ready to generate jobs. The public works minister has told me that a plan is now ready that will generate some 5,000 jobs, particularly in the eastern region, which is the area that has suffered most under this situation. In addition, all of the funds that are arriving for small enterprises will serve to generate jobs. I think that, generally speaking, this answers your questions.

[Fuentes] (?Juan) Antonio Fuentes Ibarra, of Radio Cadena Libertad. Mr President: with all due respect, I would like to ask a question related to that asked by the companera from LA PRENSA GRAFICA. Will the assistance coming from Europe and the United States be devoted to areas exclusively intended to achieve the country's economic revitalization, or will it also be applied to aspects related to the armed conflict in El Salvador and Central America?

[Duarte] The purely economic assistance will only be used for the country's economic revitalization, and not a single cent of that assistance is being devoted to military aspects. Military assistance is an entirely different matter. As you will recall, I went to the United States some time ago and obtained $68 million in military assistance, so that the Army can defend the country.

[De Gracia] Agustin de Gracia, of ACAN-EFE. Mr President: you have said that you oppose all types of violence and that you support the Contadora [words indistinct]. However, (?when you went to) Washington you supported, in some way, the assistance that was being requested from Congress for the Nicaraguan counterrevolution. Being in agreement with those principles presupposes a different Salvadoran policy on this issue. Could you tell me [words indistinct] the Contadora document?

[Duarte] [words indistinct] that is a good question. I will answer the question that you have raised. First, there is no inconsistency in my position on the contras, and I will explain it once more. This is not the first time that I have done so. I cannot support the creation of or actions by guerrilla groups in other parts of the world, because this would mean supporting and justifying the concepts that the Marxists have postulated with regard to the Salvadoran guerrillas. Nicaragua has raised two concepts: self-determination of peoples, and solidarity. It is they who are inconsistent. Based on the principle of self-determination of peoples, they claim that no one can meddle in Nicaragua's affairs. But, with regard to the concept of solidarity, they say: We have the right to export revolution, to help and to show solidarity to guerrillas in other areas.

What I have said, from the Salvaoran standpoint, is that we have a problem of aggression by a nation called Nicaragua against El Salvador, that these gentlemen are sending in weapons, training people, transporting bullets and what not, and bringing all of that to El Salvador. I said that at this very minute they are using fishing boats as a disguise and are introducing weapons into El Salvador in boats at night.

In view of this situation, El Salvador must stop this somehow. The contras, even though...thus, the contras are creating a sort of barrier that prevents the Nicaraguans from continuing to send arms to El Salvador by land. What they have done instead is to send them by sea, and they are now getting them in through Monte Cristo, El Coco, and El Espino. This is because they cannot do so overland, because the contras are in those areas, in one way or another.

Therefore, you can see that these are two different concepts. My position is coherent. I defend my country. I have said that I do not want any weapons, ammunition, or supplies of any kind to reach my country, to support guerrillas in my homeland, and that I am against anything that supports this type of action, either here or there. That is why I have told the Nicaraguans that I think El Salvador has always respected them and that, therefore, they must respect El Salvador.

[Block] Roberto Block, from REUTER news agency. Mr President: (?Thank you). You have talked many times about Nicaragua's supply of weapons to the Salvadoran guerrillas, and you appeared at t e Congress in your role at (?president), as you say, to ask for weapons. for assistance, and to ask that the contras in Nicaragua cut off this supply. I would like to know exactly what tangible evidence exists that Nicaragua is sending weapons to El Salvador. If such proof exists, why did you ask that statements be sent to The Hague, instead of the tangible evidence on these arms supplies from Nicaragua?

[Duarte] [Words indistinct] of trying to detract from the validity of a statement by a head of state? When a head of state confesses that he is helping guerrillas, he is helping the guerrillas. Therefore, what better evidence exists than a categorical statement by a head of state? Nothing is more powerful than the confession he made.

I said all of this to explain that the evidence does exist. There is evidence on all of the beaches. An overwhelming number of peasants claim that they have seen people enter with weapons, which they load on horses, and leave for the mountains. What you want is to see them for yourself. Well, I invite you to go to the beaches and watch, at night, how they unload the weapons. I am going to give you a specific place, Montecristo Island. They are constantly unloading weapons there. Caches have been found there. We are going to submit all of this evidence to the court at The Hague when the time comes.

[Block] After $50 million [words indistinct] to the contras by the United States, you are saying that the weapons are still arriving. Do you think, if the United States restores its assistance to the contras, that all that...

[Duarte -- interrupting] Let me tell you, I have never said what you are saying, Mr Block. I have never said that assistance should be supplied to the contras so that they could invade Nicaragua's territory. I never said that. I said that someone is doing that, and that what it does is prevent the weapons from reaching El Salvador. This is what I have said, and I reiterate it. I am not opposed to the prevention of weapons entering El Salvador. If by some action in the world these weapons are prevented from entering El Salvador, it is welcome, because this will rid us of the constant problem of so many deaths, murders, and problems in our homeland. This is what must be prevented.

Forgive me, but being an agreement with a concept, with a principle, is one thing, and reality is another. And I am talking to you here about reality.

They have been unable to stop the flow of weapons. Doesn't this show you that the problem is much more profound than we imagine? How and from where do those weapons get here? The scheme they use is so sophisticated that it obviously renders the problem much more serious. One can't simply think about $50 million. If you take a look at the U.S. assistance [words indistinct], it is not $10 million, $20 million, or $50 million. Their assistance to the world totals $70 billion. Why? Because the world is immersed in crisis.

When we held the elections, we placed our own government at stake and said that we would play the democratic card in full, without fear, because we believe in democracy, because we are struggling for democracy. That is what we are going to do; this is what we are doing, and it is for this reason, my friend, that we are trying to get Nicaragua to behave like a sister nation, to stop exporting revolution and to respect our country, just as we respect it.

That is what I have said from the very first minute, before I assumed office. I am prepared to engage in dialogue and to search for a solution so that these gentlemen will stop sending in arms and supporting so much killing and so much [words indistinct] in our country.

I think that all Salvadorans who are listening agree with me. They agree that this is not an easy struggle and that we have to wage it both nationally and internationally. I have to go from town to town, from area to area, from country to country, to rectify all of the false information, all of the misinformation that is being spread. This is my task. That is why I made the trip to Europe. That is why I went to the United States. That is why I must continue to struggle, nationally and internationally.

COL MONTERROSA SAYS FMLN'S CASUALTY REPORTS FALSE

PA271731 San Salvador Radio Cadena Sonora in Spanish 1700 GMT 26 Jul 84

[Colonel Domingo Monterrosa, commander of the 3d Infantry Brigade stationed in San Miguel, interviewed by correspondent Jorge Guadalupe Sorto in San Miguel; date not given -- recorded]

[Excerpts] [Begin recording] [Sorto] This is the information. We are reporting on the development and training program for the members of the Areas Restoration Depatemental Committee [Comite Departamental de Restauracion de Areas], CODERA, in San Miguel. Col Monterrosa has asked to use our microphone in order to make what he calls a public, man-to-man appeal. Here is Col Monterrosa.

[Monterrosa] Mr Sorto: I thank you very much for the opportunity to address the noble people of San Miguel and to comment on something I have been observing for some time. The rebels have announced that they have inflicted a certain number of casualties on the Army. However, when I talk to local residents, who are reliable witnesses of the actions they make entirely different reports. I am not sure what is really going on.

[Sorto] Colonel: On making this public comment to the FMLN High Command regarding the broadcasting of this type of information, is this similar to the soldier who carries out a mission and then reports that he has killed 50?

[Monterrosa] Yes, it is almost the same. I am every upset by the irresponsible manner in which rebel commanders have been releasing false reports. In truth, I don't know who is lying: the combatant or his superior. Anyway, they must be more sincere, more respectful, and more worthy of people who wield arms. For instance, they announced that they had infiltrated the Atonal Battalion command post, killing three officers, a sergean and others. What happened was entirely different. There was only harassment from a distance. That was all. They also said they ambushed the Arce Battalion on the Coastal Highway near El Borbollon. This is partially true because they did wound a soldier. Who are they trying to deceive, the combatants or the people?

[Sorto] In this public appeal, do you want to receive an answer from the guerrillas through Radio Venceremos?

[Monterrosa] The guerrillas may use whatever means they want, provided they tell the truth and only the truth because the Armed Forces are especially noted for telling the truth. For instance, we usually report the death of some companeros in the obituaries. We cannot lie to the people or the relatives of those who have fallen in combat.

[Sorto] Do you think that the FMLN High Command has somehow made enormous progress and has an entirely different view of how this war began? Do you think the FMLN is ripe for the pacification of all of El Salvador?

[Monterrosa] The FMLN has made some progress indeed, but its progress has occurred in falsehood. This is precisely what we discussed a few moments ago. They have also made progress in their subversive activities, but nothing significant has been achieved by the guerrillas thus far. In this manner, we might say the guerrillas have regressed. They have progressed like crabs progress.

REPORTAGE ON ARMY, GUERRILLA OPERATIONS

Clash on Highway

PA272120 San Salvador Radio Cadena YSKL in Spanish 2200 GMT 26 Jul 84

[Text] Traffic on the Pan-American Highway, particularly in the country's central region, resumed at noon today after leftist FMLN elements obstructed traffic this morning and stopped some 400 vehicles traveling in both directions in the area of San Felipe and the Santa Clara turnoff. At the Santa Clara turnoff in San Vicente Department, the guerrillas attacked both vehicles and troops from the Cazadores Battalion and 5th Brigade, headquartered in San Vicente. The attacks lasted from 0600 until 0845. Later, Air Force planes fired on the hills that were taken by the extremists in their withdrawal from the highway. The Air Force bombed the hills known as Ramirez and La Olla. Sources from the 5th Brigade have reported that after more than 2 hours of fighting, 13 soldiers died and 10 to 12 were wounded, some of them seriously. It has been impossible to establish how many casualties the guerrillas suffered, since they took some of their casualties toward the northern part of the department, according to military sources. It has been confirmed that the bodies of six leftists were found on the highway following the clash with the Army. There is no report available on the casualties that were inflicted by the Air Force bombing.

Colonel Roberto Rodriguez, commander of the 5th Brigade, said this afternoon that 5th Brigade troops are patrolling the area near the Pan-American Highway, where the guerrillas have been threatening traffic constantly. Col Rodriguez said this afternoon that some of his soldiers lost their equipment, weapons, and even their uniforms to the subversives. He also confirmed that the bodies of six rebels were found in the area following the bombing.

According to reports from military sources in the eastern region, the Military Route, the Coastal Highway, and the Pan-American Highway in that area have not been attacked by the leftists today.

In Suchitoto, Cuscatlan Department, it has been confirmed that the Salvadoran Air Force bombed the eastern and southern areas of Guazapa Hill, where the guerrillas hold positions. According to civilian sources, traffic has been interrupted for the second day in a row on the road between Suchitoto and San Martin, where the rebels have threatened drivers.

Yesterday afternoon, the leftist guerrillas struck the area of Limones, a village in Chalatenango Department, destroying four pieces of construction machinery. Some 5,000 Army troops are continuing their counterinsurgency operation this afternoon. They are combing a broad portion of Chalatenango Department in search of FMLN guerrillas for the second consecutive day.

So far, there have been only four clashes with the leftists. As a result of these clashes, the guerrillas suffered nine dead, while five troops were wounded.

Fighting in San Vicente

PA281709 San Salvador LA PRENSA GRAFICA in Spanish 27 Jul 84 pp 2, 41

[Excerpt] Approximately 66 casualties including 30 for the rebels and 36 for the Army, both dead and wounded, are the result of the strong clashes that occurred in several areas of San Vicente Department between government troops and subversives, military sources have reported. Colonel Roberto Rodriguez Murcia, commander of the 5th Infantry Brigade headquartered in San Vicente, said yesterday that the main clashes occurred in the vicinity of the towns of San Sebastian, Santa Clara, San Esteban, Catalina, Cedros de San Pedro, (Flores del Tepeyac), the Santa Paula farm, the Pan-American Highway on the sectors that correspond to Apastepeque, El Marquezado, El Sisimitepet, and at other points in the department where military intelligence forces have detected terrorist camps. Rodriguez Murcia said that since Tuesday of this week combined units from the counterinsurgency Atlacatl Battalion and the 5th Infantry Brigade, supported by Air Force Fouga airplane and helicopter gunships, have been carrying out operations that involve searching for, locating, and destroying rebel positions. Through these operatior Rodriguez Murcia said, several subversive columns trying to evade the clashes, while taking advantage of the darkness of night to transfer to other camps, as well as to reconnoiter local roads, paths, and river passages, were detected. However, when they met Army troops they had no alternative but to fight. This is when the 30 rebel casualties, including dead and wounded, resulted and a good amount of war materiel, especially ammunition, was seized. According to Rodriguez Murcia, the 36 Army casualties resulted when Army troops were ambushed in the vicinity of the Pan-American Highway in the jurisdiction of Apastepeque where it is reported that the bloody clashes began at approximately 0630 and lasted until midday.

Train Dynamited

PA272132 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 27 Jul 84

[Raul Beltran Bonilla report]

[Excerpt] Patrolling along the Coastal and Pan-American Highways in eastern and central El Salvador has been stepped up today in view of the latest actions carried out by the FMLN's leftist forces.

It was confirmed this morning that leftist elements intercepted a train near El Carmen, in La Union Department, in eastern El Salvador, yesterday afternoon. Having intercepted the locomotive and its five cars, the leftists dynamited the train, along with a rather large portion of the track. This report could not be confirmed until early this morning because of faulty communications with this area. We repeat: A locomotive and five cars belonging to Salvadoran National Railway, Fenadesal, were destroyed yesterday afternoon in the vicinity of El Carmen in La Union Department.

Military and civilian sources, particularly from Fenadesal, have reported that the train was unguarded and was loaded with fertilizers that were to be used in connection with the 1984 harvest. As far as is known, this new attack on Fenadesal's equipment -- the 33d such attack in the current conflict -- produced no victims.

Meanwhile, traffic has been blocked since early this morning between Santiago de Maria and Usultan by leftist elements who have seized a large stretch of the highway near (Osatlan) and the (Gualaque) crossing. The FMLN's guerrillas are intercepting vehicles and forcing passengers and drivers to listen to their harangues.

Crop Duster Burned

PA282311 San Salvador LA PRENSA GRAFICA in Spanish 28 Jul 84 pp 4, 9

[Excerpt] A crop-dusting plane parked on the El Platanar Runway, Arenales Canton, Chapeltique, San Miguel Department, has been burned by FMLN-FDR extremists, according to reports from local authorities.

The FMLN has been threatening via a clandestine radio station to attack planes caught spraying insecticide over cotton plantations. However, the plane set afire was not in flight but on the ground, according to reports from local residents. The burned plane belonged to Salvadoran pilot Mr Julio Cesar Escobar, who used it for transportation and work, a right of all Salvadorans, the authorities said.

CLANDESTINE RADIOS REPORT ON MILITARY ACTIVITY

Helicopter Shot Down

PA290151 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Jul 84

[Text] We salute our forces in San Vicente Department. We have already reported that in various actions during the ambush staged on the dictatorship's forces along the Pan-American Highway we inflicted many dead and wounded on them. In addition, we seized 31 M-16 rifles, 1 grenade launcher, a substantial amount of ammunition, and a military communications radio.

In San Vicente Department, north of Zacatecoluca, our units shot down a U.S. -made/Hl-UH (as heard) helicopter which was trying to evacuate wounded from the combat area. A North Amercian helicopter was hit by our revolutionary fire; it crashed and was turned into scrap.

Army Losses in Morazan

PA290230 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 29 Jul 84

[Text] In Morazan Department on Friday, 27 July, during a battle between our militia units and the Rafael Arce Zablah Brigade with the Lenca and Arce Battalions, we inflicted 4 dead and 7 wounded, that is 11 Casualties, on them. On Wednesday at 0800, in the vicinity of Carolina, on the banks of the Torola River, the enemy sustained four casualties -- two dead and two wounded. In other clashes in Morazan Department on 28 July two Army soldiers were wounded. Other reports reaching us indicate that on Saturday, 28 July, in a battle in Morazan Department between our forces and the Lenca and Arce Battalions, the 2 battalions suffered 17 casualties -- dead and wounded -- including a corporal. The puppet Army is becoming increasingly worn out in its useless operation in our Morazan Department

The Army's overall casualty count since the beginning of the operation in Morazan Department is 36 -- dead and wounded. These casualties will continue to increase as long as the enemy keeps forces in our territory.

Usulutan, San Vicente Actions

PA291432 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 29 Jul 84

[Excerpts] Lorena Garcia, Radio Farabundo Marti correspondent on the eastern front, has reported that on 26 July FMLN militias blew up 11 power pylons between km 82 and 83 of the Coastal Highway, in Usulutan Department. Our forces then harassed enemy positions on El Castano river bridge, inflicting three dead on the criminal 6th Infantry Brigade troops.

At 0100 on 23 July, guerrilla units distributed military propaganda in El Playon in southern San Vicente Department. As they began their retreat, they engaged in a brief clash with troops of the Armed Forces Engineers' Training Center, killing one corporal and wounding one soldier.

On 27 July our forces carried out a highway control operation near San Gabriel on the road that links Santiago de Maria and Usulutan. National Guard troops arrived at the scene at 0115 and engaged in combat with our units. The enemy sustained six casualties in that brief action. We recovered a G-3 rifle.

Fighting in Tecoluca

PA292358 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 1830 GMT 29 Jul 84

[Text] On Friday, 27 July, 1 day after we devastatingly ambushed its forces on the Pan-American Highway, the puppet dictatorship's High Command decided to dispatch the Atlacatl Battalion to eastern [name indistinct].

At 1345 on 27 July, four A-37 Dragonfly planes and two tandem engine light planes flew over San Bartolo Canton, Chanmico Canton, La Campana Hill, and San Pablo [name indistinct] Hill, in the jurisdiction of Tecoluca.

These criminal, U.S.-made planes dropped sixteen 500-pound bombs and fired 25 rockets on these cantons. Simultaneously, troops belonging to the Atlacatl Battalion were airlifted aboard four helicopters [words indistinct], supporting the troops with machinegun fire. Heavy fighting ensued immediately with our revolutionary units. The fighting lasted until the afternoon of 28 July. Faced with the military operation launched by our forces and the fact that they were fighting in unfavorable circumstances, all troops from the Atlacatl and Paratroop Battalions withdrew.

While the enemy troops were withdrawing -- at 1310 on 28 July -- our revolutionary units successfully ambushed them at San Bartolo and Chanmico Cantons, in the jurisdiction of Tecoluca. Fighting ensued until 1700. Finding themselves under heavy attack by our guerrilla forces, the troops asked for support from an A-37 plane and a tandem engine light plane, which dropped eight more 500-pound bombs and fired more than five rockets. The criminal Atlacatl Battalion sustained over 35 casualties, including 2 officers, in this fighting.

According to preliminary reports from San Vicente, our forces seized three M-16 rifles with accessories, military supplies, and two PRC-77 military radios from the criminal Atlacatl Battalion.

VENCEREMOS ACCUSES ARMY OF ATTACKS ON CIVILIANS

PA300047 (Clandestine) Radio Venceremos in Spanish to El Salvador 2000 GMT 29 Jul 84

[Excerpts] A report has arrived at Radio Venceremos confirming that the Duarte dictatorship continues to maintain the same criminal line maintained by the previous dictatorships for more than 50 years. Pay attention to these charges:

On 25 July, the following people were captured: Nito Lasso, 60 years old; Arnulfo Espinal, 65 years old; and Marta Guevara, 35 years old. They were captured by members of the infamous Arce Battalion in Corozal, San Miguel Department. They have not returned to their homes, and their condition and location are unknown.

Another report indicates that dictatorship forces killed seven people at Ocotepeque, Morazan Department, on Friday.

From Cabanas Department we have received more names of people killed by the Atlacatl Battalion in that department on 18, 19, and 21 July. According to this report, the victims were burned alive. The victims, who number 72 so far, included many women who were raped before they were murdered.

This same report from Cabanas Department indicates that the Atlacatl Battalion burned 30 houses in peasant villages such as (Quilolilla), Azacualpa, (La Triga), (Llanito), Tortuga, San Antonio, and San Benito. In addition, dictatorship forces razed dozens of manzanas of corn, especially in Tortuga.

GUATEMALA

ANDRADE VISITS VENEZUELA, COLOMBIA, MEXICO

PA272017 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 27 Jul 84

[Text] Guatemalan Foreign Minister Fernando Andrade Diaz-Duran today met with Colombian President Belisario Betancur and Foreign Minister Augusto Ramirez Ocampo to discuss the development of peace negotiations in Central America. Diaz-Duran arrived from Venezuela, the previous stop on his tour of the Contadora Group countries. After meeting with Betancur and Ramirez Ocampo, he went on to Mexico for similar meetings with Mexican President Miguel de la Madrid. The Contadora Group efforts were the basic topic of the talks held in Bogota by President Belisario Betancur, the Guatemalan foreign minister, and his Colombian counterpart.

ACTING FOREIGN MINISTER ON RELATIONS WITH SPAIN

PA272037 Guatemala City Radio Television Guatemala in Spanish 0400 GMT 27 Jul 84

[Text] The reopening of diplomatic relations between Guatemala and the Spanish Government should be carried out within the framework of respect for the country's sovereignty and under conditions that would not be harmful or humiliating to the nation's dignity, Acting Guatemalan Foreign Minister Mario Marroquin Najera explained. The official answered in this manner when he was questioned on the possibility of a reopening of talks with the Spanish Government aimed at reestablishing diplomatic relations, taking advantage of the meeting of EEC, Central American, and Contadora Group foreign ministers scheduled for next September in Costa Rica.

Talks Possible for August

PA281611 Guatemala Cadena de Emisoras Unidas in Spanish 1230 GMT 28 Jul 84

[Text] Guatemala has a positive attitude on the reopening of diplomatic relations with Spain, and a Guatemalan delegation will be appointed to meet with Spanish foreign affairs officials, it was officially reported. The Guatemalan foreign minister said that the meeting has been tentatively set for August. However, Minister Andrade Diaz-Duran noted that the meeting depends on the exchange of correspondence between Venezuela and El Salvador, the embassies representing Spain and Guatemala, respectively. Spain broke off diplomatic relations with Guatemala in January 1981 when the Spanish Embassy in Guatemala City was set afire killing 38 persons, including Spanish diplomats and a group of Guatemalan Indians and students who had occupied the embassy to protest the Lucas regime. Spain blamed security forces for the fire although then President Romeo Lucas rejected such a claim.

HONDURAS

MARCHERS DEMAND WITHDRAWAL OF U.S. TROOPS

PA281232 Buenos Aires LATIN in Spanish 0507 GMT 28 Jul 84

[Excerpt] Tegucigalpa, 27 Jul (LATIN-REUTER) -- Hundreds of Honduran workers marched through the streets of this city today to demand the withdrawal of U.S. troops from Honduran territory. The 800 persons who participated in the march responded to a call made by the principal labor unions of the country shouting: "Yankee go home," and waving posters which read: "Yankees out of Honduras."

An increasing sector of Honduran society has been alarmed recently by the growing U.S. military presence here and both the military as well as government spokesmen have complained about the low dividends received by the country for having been transformed into the principal ally of Washington in Central America. The United States has delivered $125 million to Honduras for military and economic assistance thus far this year. There is also the fear that the presence of the guerrillas, who with U.S. financing and supply of weapons seek to overthrow the Sandinist authorities of Managua, may lead to an open war between Honduras and Nicaragua.

SIX U.S. CITIZENS EXPELLED FOR 'INTERVENTION'

PA300408 Hamburg DPA in Spanish 0033 GMT 30 Jul 84

[Text] Tegucigalpa, 29 Jul (DPA) -- The Honduran Government has expelled six U.S. citizens who entered the country as tourists, charging them with "intervening in politics and insulting the national dignity." The expulsion took place yesterday, but the action was not reported until today by the Presidency Secretariat's Information Office in Tegucigalpa.

The deported U.S. citizens are: John Wilson Grant, Thomas Pine Cronin, Bruce Luther Bloy, Michael Sinley, Arthur Thomas Doherty, and Richard Thomas Smith. They arrived in Tegucigalpa last Friday from Nicaragua. In Tegucigalpa, the group was welcomed by Ramon Custodio, president of the Human Rights Defense Committee, and Napoleon Acevedo Granados and Leonor Meza, leaders of the United Federation of Honduran Workers (FUTH), which is described as leftist by official sources.

The Presidency Secretariat's Information Office said that "the U.S. citizens, abusing their status as tourists, and on the very day of their arrival, took part in a demonstration held in Tegucigalpa's Central Park. During their interventions, some of them using a translater dared to censure the government, its institutions, and its Armed Forces, in an open violation of Honduran law." According to the official source, "actions such as this demonstrate abuse and disrespect for the Honduran Government and people, because they are an undesirable intervention of foreigners in matters that concern only Hondurans."

The six U.S. citizens left Honduras yesterday for Nicaragua since they held return tickets to that country.

PAZ BARNICA DISCUSSES CONTADORA, REGIONAL ISSUES

On Salvadoran Border

FL272044 Mexico City NOTIMEX in Spanish 2208 GMT 26 Jul 84

[Excerpts] Tegucigalpa, 26 Jul (NOTIMEX) -- The role played by the Contadora Group has been one of frank and firm cooperation with the Central American countries in the common effort to achieve peace in the region, Honduran Foreign Secretary Edgardo Paz Barnica stressed today. He noted that the success of the Contadora Group's efforts will depend on the political will that all countries in the region demonstrate in negotiating what has been stipulated in the Contadora proposal for peace and cooperation in Central America. Paz Barnica added that the proposal for peace and cooperation in Central America requires from all a commitment on restricting the number of foreign military advisers, not allowing establishment of foreign military bases, and putting an end to arms traffic in the area. Likewise, he said his country could coexist with any type of regime in Central America, whether of the extreme left or extreme right, so long as it abstains from intervening in his country's affairs.

Asked if it was disadvantageous for Honduras to appeal to The Hague court to delimit the border with El Salvador, he said his government is convinced that its territorial aspirations are well founded juridicially and historically. The Honduran diplomat said El Salvador's attitude in ongoing direct negotiations is one of lack of understanding and is aimed at delaying the proceedings. He recalled that the general treaty signed by Honduras and El Salvador in October 1980 calls for a period of direct negotiations which will end next year. The document also establishes that at the conclusion of the period of negotiations, the case will be submitted to the consideration of The Hague's International Court of Justice for the delimitation of the border between the two countries.

On CACM, Peace Proposal

FL272100 Mexico City NOTIMEX in Spanish 2053 GMT 27 Jul 84

[Text] Mexico City, 26 Jul (NOTIMEX) -- Honduran Foreign Affairs Secretary Edgardo Paz Barnica said today that Central American economy ministers will meet soon to restructure the Central American Common Market, which will help in the achievement of regional economic, political, and social stability.

The Honduran official was interviewed at the Mexico City airport when en route to the Far East on a working trip. He said that his country was the first to accept the Contadora Group's peace and development proposal for Central America.

He said that during his interview with Mexican Under Secretary of Foreign Relations Ricardo Valero, who is in Central America to learn the opinion of the Central American chief executives on the Contadora Group's peace and development proposal, he recommended to Valero that certain points be added to the proposal to achieve real commitment and permanent vigilance in the region and so assure the fulfillment of the proposal's objectives. Nevertheless, Paz Barnica has said that the Contadora peace proposal represents the appropriate solution and consequently requires no changes.

When queried about joint Honduran-U.S. maneuvers in Honduras, the diplomat stressed the fact that this training does not represent any problem or affect the peace in Central America because the maneuvers are strictly for military training purposes.

He said that the Contadora Group represents the only viable solution to achieve stability in the Central American region, for which reason he exhorts all nations to support the peace-seeking efforts of Mexico, Colombia, Venezuela, and Panama. Paz Barnica stressed Mexico's role within the peace-seeking organization and thanked President Miguel de la Madrid and Foreign Secretary Bernardo Sepulveda Amor for their attempts to achieve lasting peace in the area.

Finally, referring to the coming Nicaraguan elections, he said that this step is of extraordinary importance because it will be possible to achieve the democratization of Latin American nations as is the case in Nicaragua. [as received]

ACCORD SAID TO EXCLUDE EL SALVADOR FROM MANEUVERS

PA280152 San Pedro Sula LA PRENSA in Spanish 27 Jul 84 p 3

[By Marco Tulio Romero]

[Excerpt] The revision of the military agreements between the United States and Honduras excludes Salvadoran participation in the upcoming joint military maneuvers. This was revealed by an official source, which pointed out that the exercises will be conducted by the U.S. and Honduran Armed Forces only. The joint exercise will begin in August, according to the program. The Salvadoran troops' participation in this kind of maneuver has been condemned by observers of Honduran foreign policy.

OPPOSITION PREPARES FOR ELECTION, ATTACKS SUAZO

WA301030 Rome IPS in English 25 Jul 84

[By Manuel Torres]

[Test] Tegucigalpa, July 25 (IPS) -- Though Honduras' next elections are still over a year away, the country's political parties are already jockeying for position, naming their presidential candidates and training their guns on the ruling Liberal Party's record since it took office in early 1982. Three groups towards the left of the Honduran political spectrum went on the offensive last weekend, launching sharp attacks on President Roberto Suazo Cordova on a number of fronts. The Christian Democrats, at their national convention, accused the administration of corruption, the Innovation and Unity (PINU) Party, choosing a presidential nominee, charged Suazo Cordova with selling the country out to the United States, and a dissident faction of the Liberal Party threatened to ally itself with the opposition.

The Christian Democratic Party (PDCH) convention saw the election of a new party president -- outspoken government critic Efrain Diaz Arivillaga. "The corrupt ones are the ones who have been governing this country," he told party delegates. "We must give them a lesson in political ethics." Diaz, the DC's lone member of parliament, defeated the more conservative incumbent party president, in what observers here saw as a possible first step towards an opposition coalition. The Christian Democrats have already chosen their presidential candidate, long-time leader Hernan Corrales Padilla. He made a very poor showing in the 1982 elections, coming in last, but Christian Democrats left their weekend convention confident that the forthcoming presidential campaign will strengthen the party. Diaz, giving voice in his speech to criticisms of the government made by peasant and workers' organizations, appears to have gained considerable prestige from his convention performance.

Meanwhile, the PINU, a 15-year-old party with three members of Congress, chose former Health Minister Enrique Aguilar Cerrato -- a fierce opponent of the U.S. military presence in Honduras -- as its presidential nominee. "Our aim," he told party delegates, "is to rescue Honduras from the ignominious sellout (to U.S. interests) that is dissolving the cement of our nationality." Over the past year, the United States has built and improved military airstrips in Honduras, and carried out almost continuous military exercises involving several thousands of U.S. troops. Cerrato also pledged to "rescue the country from the bottom rung of the world's nations, and from the misery born of inhumane exploitation, abuse of authority, and a lack of respect for the most fundamental human rights."

The PDCH and PINU are both demanding that the government abandon its monetarist economic policy, which has contributed to the country's 25 percent unemployment rate, and both are also pressing for an end to the U.S. military presence. "What we have here is a caricature of democracy, which is confusing the people," said PINU leader Carlos Sosa over the weekend, summing up his party's main complaint against the government.

Meanwhile, dissident Liberal Party members grouped in the Liberal Alliance of the People (ALIPO) held their own national convention over the weekend, which closed with a warning that they would not support presidential and congressional candidates "imposed" by the Liberal leadership. Unless the candidate are chosen "democratically," ALIPO said, it would explore the possibilities of an electoral alliance with the Christian Democrats or PINU. Suazo Cordova's period in office has been "a complete disaster," ALIPO charged, with "genuine liberals" excluded from office.

While the Christian Democrats, PINU and ALIPO gear up to challenge the Liberals from the left, the major opposition party, the Conservative National Party has yet to launch its own campaign from the right. The battle lines for the presidential contest, however, are already being drawn up.

NICARAGUA

ORTEGA ON VOTER REGISTRATION, OPPOSITION ABSTENTION

U.S. 'Pressure'

PA271618 Managua Domestic Service in Spanish 1344 GMT 27 Jul 84

[Commander of the Revolution Daniel Ortega Saavedra interviewed by unidentified reporters at a voter registration center in Managua -- live]

[Text] [Question indistinct]

[Ortega] This is a truly important event in our lives. We view it as a fruit of the efforts that the Nicaragua people have been making for many years to achieve their freedom and an authentic democracy. This is one more expression of the democracy that we have been building throughout these 5 years of the revolution.

[Question] What can you say about the abstentionism of the parties in the Democratic Coordinating Board [words indistinct]?

[Ortega] There are two things we should bear in mind. On the one hand, there is the fear of running the risk of [words indistinct]. They know beforehand that they will be defeated by the FSLN in an election. On the other hand, there is the U.S. action. The U.S. Government, through its ambassador here in Managua and by sending Mr Arturo Cruz from Washington, has been exerting pressure so that the Coordinating Board parties will abstain. We must say that this has had some results. Why does Reagan want the parties to abstain? He wants them to abstain so that he can continue to justify his policy of aggression against Nicaragua, to say that the elections are not legitimate, to say that the elections are partial, to say that just a few parties are participating even when most of the parties of the Coordinating Board are parties that were formed after the triumph of the revolution and do not have much social base.

[Question] President Reagan once again attacked Nicaragua yesterday saying that religious freedoms are not respected and that the church in Nicaragua is not respected. Previously, he has spoken of destroying Nicaragua with the stroke of a pen. What do you think of the campaign that the U.S. President has begun in recent days?

[Ortega] It shows his obsession toward the Nicaraguan people and the hatred he feels toward the Nicaraguan people, which he constantly demonstrates. It also shows a hyocritical attitude because while he says he is concerned about the church and says he acts like a Christian, he acts in an unchristian manner, threatening to sweep aside the Nicaraguan people with the stroke of a pen.

[Question] Why did you have to appear here with two witness to register?

[Ortega] Well, I didn't bring my identification card. The law says that if I don't bring my identification card, I need two witnesses to register.

Press Conference

PA281502 Managua Domestic Service in Spanish 0410 GMT 28 Jul 84

[Commander of the Revolution Daniel Ortega Saavedra press conference with unidentified reporters at Managua's Cesar Augusto Silva Convention Center -- live]

[Excerpts] [Question] [Words indistinct] contra ambush, and another companero who is in serious condition. What implications does this have on the electoral process and the registration process in particular?

[Ortega] The U.S. Government is attempting to prevent elections from taking place in Nicaragua by obstructing the electoral process. These contra actions and murders of electoral officials -- particularly those who are working in areas affected by the U.S. forces' aggression -- are part of that plan. Mercenary forces are murdering officials who are actively involved in the electoral process. The actions are taking place in southeastern Nicaragua.

[Question] Commander: Can you give us the government's initial impression of how the registration process is going and the number of citizens who are registering?

[Ortega] People have responded en masse on this first day of voter registration. We have seen this throughout the country.

[Question] When Shultz was in Nicaragua, he expressed the desire that you talk with the counterrevolutionary leaders. It is evident that you do not want to talk with them. However, you are talking with the United States. What are the main topics that you are willing to discuss with the United States and which points will you refuse to discuss with them?

[Ortega] It is clear that we are facing aggression by a foreign power, namely, the United States. The mercenary forces are nothing but an instrument of that policy. Therefore, we have nothing to discuss with the mercenary forces. We must talk with their leaders -- the United States.

Mr Arturo Cruz is also a tool of U.S. imperialism. He has lost all touch with Nicaragua and the only reason for him to come to Nicaragua is to fulfill a mission as an agent of the CIA and imperialism. Cruz himself sees that he is becoming one more counterrevolutionary leader and is proclaiming himself as that, a leader of assassins. He is allowing himself to be used as a tool against the electoral process.

Going back to the topics that we are willing to discuss with the United States, we have insisted to the United States that we discuss all matters that give rise to concern over what they regard as their security in the region. They must also be willing to discuss what Nicaragua sees as a threat to its security in order to search for a framework of mutual security. This implies mutual respect. We must arrive at an honorable agreement that respects the dignity of both countries. That is Nicaragua's position and decision in regard to the dialogue with the United States.

[Question] What will you discuss?

[Ortega] We are willing to discuss all matters pertaining to U.S. security in the region.

[Question] Do you believe that the Nicaraguan Democratic Coordinating Board's decision to abstain from participating in the elections will have a negative effect on the U.S. and West European public opinion?

[Ortega] This much I can say: Arturo Cruz came to Nicaragua to carry out a mission of the U.S. State Department, the CIA, and the U.S. Government. What is his mission?

The Central American problem has become an issue in the current U.S. electoral campaign. U.S. public opinion is increasingly rising against Mr Reagan's policy in Nicaragua. Now, Mr Reagan is making every effort to regain the favor of and manipulate U.S. public opinion.

On the one hand, they now claim that Nicaragua is a Soviet base and that we have Soviet bases here. Why doesn't President Reagan tell us where those bases are? The United States knows that there is not one single Soviet base in Nicaragua. Nicaragua has been clear in stating that all foreign military bases in Central America should be eliminated.

Then, we have the Nicaraguan elections. President Reagan has an interest in them. He wants Nicaragua's elections to go astray. The U.S. ambassador in Managua has openly intervened in the elections by attempting to influence some parties into supporting Arturo Cruz' [words indistinct]. Arturo Cruz has never lived in Nicaragua. He arrive here a few days ago at the very moment that President Reagan was making a speech against Nicaragua and that U.S. military forces were being deployed around Nicaragua. Mr Cruz will go back to the United States in a few months, after he has fulfilled his role here as a CIA agent, like one more mercenary.

He is going to tour the United States with other mercenaries and traitors [words indistinct] to tip U.S. public opinion in favor of the Reagan administration. That is the real goal: President Reagan, through the CIA, Mr Cruz, and the U.S. Embassy are pressuring the Nicaraguan Democratic Coordinating Board [CDN] to pose as propaganda against the elections in order to find a justification for Reagan's warmongering policy against Nicaragua.

[Question] As a candidate of the FSLN and its platform, what political significance do you see in the decision of three parties to support a candidate who has come from abroad and later to pull out of [word indistinct]? What political impact do you see in the fact that three parties will not take part in the election because -- as you say -- they have been pressured in that direction?

[Ortega] The law is very clear on this matter. Those parties that fulfill the legal requirements have full freedom and guarantees to mobilize, conduct their campaigns, and use the media. Those parties who do not register or clarify their status will be left outside this democratic process. They lose their right to mobilize, the access to the media, and all the guarantees that are being granted for the electoral process.

[Question] Commander: This morning [words indistinct] that there is still time for the CDN to participate in the election, and added that they are not willing to [words indistinct]. Also, what do you think of the fact that the CDN is calling its supporters to register to vote?

[Ortega] I believe that Arturo Cruz has not come to help the CDN. On the contrary, they are trying to make the CDN a tool of U.S. warmongering policy. That is his role.

ARCE ON COORDINATING BOARD MEETING WITH PARTIES

PA290440 Managua Radio Sandino in Spanish 0008 GMT 29 Jul 84

[Commander Bayardo Arce's press conference at the International Press Center in Managua -- live]

[Excerpts] [Arce] Today we held our fourth meeting within a series that we had agreed on. We would like to point out that no representative from the Ramiro Sacasa Guerrero Democratic Coordinating Board attended this meeting. It is important to point this out because we held a meeting yesterday that was attended by the Social Christian Party's vice president, representing the Coordinating Board. During that meeting we approved an agenda to be discussed today that we believed would test that organization's genuine desire to participate in the electoral process. We approved an agenda including the discussion of a document to be sent to the U.S. Government and Congress regarding the U.S. warmongering policy against Nicaragua and its adverse effect on our country's situation and, hence, on the development of the electoral process. We also think it is significant and revealing that although we had on our agenda a unanimous request by all parties to extend the registration period, the Coordinating Board failed to show up.

We believe, as I said before during a meeting with national and international press, that the will of our peoples is being voiced now through the registration process. We understand that you have had the opportunity to move about and have witnessed the dynamics of the registration process. Our reports are quite satisfying. So far registration has surpassed our expectations by 50 percent, despite our current difficult military situation and the direct attempts of counterrevolutionary troops to disrupt the registration process.

[Ronnie Laufler from (?CDC)] I have two questions. First, I would like to ask you why [changes thought]...it seems that you are trying to show much flexibility toward the Coordinating Board parties. Why do you consider it important to give them one opportunity after another to take part in the process. Second, although they have already decided not to take part in the elections, the Coordinating Board has urged their people to register to vote. Would you please comment on this; do you think this is part of some kind of plot?

[Arce] Mr Erick Ramirez, vice president of the Social Christian Party, yesterday officially asked all political parties to support his request to extend the registration period. Given that we advocate an opening, we could not ignore that request, and this is why we included it on our agenda for discussion today. The fact that they say or have said that they will not take part does not surprise us, since we are playing a political game within a democratic system. However, we in fact received a request to that effect. They told us that they had registration problems because they were late in establishing an alliance and in reaching a consensus on an alliance candidate. Therefore, we could not have closed ourselves to that possibility.

[Laufler] [Words indistinct] since they have so far said they will not take part in the electoral process. However, they are urging their rank and file to register. If they will not register candidates, why do you think they are doing this?

[Arce] Well, they might decide to join some of the parties registered before 4 August. That is probably why they are urging registration; or maybe to give some legality to what we, the FSLN, think has been the real objective of the Cruz candidacy, that is to try to achieve within the electoral process what the United States has not been able to achieve directly: Make us accept talks with murderers of our people.

[Unidentified newsman] Commander Borge, I mean Commander Arce, [crowd laughs] regarding the document to the U.S. Congress, reports abroad state that it was mandatory for all parties to endorse it. Apparently the Social Christians are using the fact that they were allegedly forced to sign this declaration as an excuse. Was this a matter open to discussion, or was it indeed mandatory to sign that document?

[Arce] Nobody signs anything forcibly. In fact, the document in question is not ready yet, because we have to analyze it again.

[Name indistinct from Spanish television] Mr Arturo Cruz has insisted that he will embark on a European tour to present his proposal for a national dialogue and a dialogue with the rebel groups. What do you think of this and the effect of this proposal in European countries? I would also like to ask you this: Yesterday or the day before LE MONDE, I think, published an editorial claiming that these elections will not be genuinely free because the Coordinating Board will not participate. What do you think about these opinions generated in Europe?

[Arce] That was a burst of questions. [crowd laughs] First, as for the tour [changes thought]...on the national dialogue that Cruz is talking about, we believe that the conditions needed for that dialogue are already present. In fact, that is why we called for this press conference, which will end with this question. We stress that the parties that Mr Cruz claims to represent have not taken advantage of the opportunity for dialogue because they did not show up for today's meeting in which we would have discussed matters of the interest to them. However, I have also said that we are open, at least until 4 August, to talks with legally registered parties; therefore those parties still have the opportunity to participate in the electoral process.

As for dialogue with the counterrevolution, we have been categorical, we are already talking with them in the mountains and border areas with weapons in hand. We have nothing to say to the people's murderers.

As for Mr Cruz' tour, let us wait until he embarks on it. I cannot comment on something that has not taken place. Regarding LE MONDE's opinion, I respect it within the democratic and pluralistic spirit which is the principle of the revolution; everyone has the right to an opinion.

HUMBERTO ORTEGA ON CRUZ, COUNTERREVOLUTION

PA291906 Managua Domestic Service in Spanish 1615 GMT 29 Jul 84

[Defense Minister Humberto Ortega Saavedra interviewed at Ticuantepe School in Esquipulas by unidentified reporters -- live; broadcast in progress]

[Text] [Ortega] ...attempting to boycott the elections through their current spokesman Mr Cruz. This situation will continue. However, our reports indicate that the voter registration process has gone well. Imperialism will not be able to thwart this effort -- neither through Arturo Cruz, Pastora, or Calero -- undertaken by the Nicaraguan people in defense of their revolution and their country.

[Question] Commander: The counterrevolution has (?just received) $17 million. Also, Arturo Cruz said in Nicaragua that he is going to Western Europe with the traitor Pastora. Can you comment on this now that you have learned of the first victims that have fallen in this electoral process?

[Ortega] The victims are one more proof of the U.S. Government's irresponsible and reckless policy. Mr Cruz has been moving increasingly closer to the position of puppet U.S. imperialism. When the Somoza era ended, Cruz showed some understanding, but deep down he was already nourishing the attitudes that he is now showing and which are making him a Fisher Price toy for the Americans. That is what he has come to prove in Nicaragua.

Cruz is a good U.S. bank teller, as Adolfo Diaz was in the days of the intervention. In those days, he was accountant for the Yankee-controlled mines in Nicaragua. Now they have chosen a new money man and toy. Unfortunately, Mr Cruz did not move to support the people when he was a member of the Group of 12 [exiled Nicaraguans who wrote communiques urging a national dialogue to include the FSLN and pressure for Somoza's resignation] and when he was a member of the junta. He estranged himself from the junta and the process and he is now trying to come back to make the armed counterrevolution legal. If he continues his involvement with the counterrevolution, he will place himself outside the law and estrange himself from the people. History will show us who the true Nicaraguans are and who are the traitors and those who commit genocide.

[Question] Commander Ortega, Arturo Cruz has stated that if elections are not free a popular insurrection will be further justified. Can you comment on this?

[Ortega] The only popular insurrections there have been in Nicaragua are the one that our people staged against Somoza on 19 July and the one which they are currently staging against U.S. aggression. The only aggression that exists is the one carried out by the Americans, the mercenaries, and which Mr Cruz is reporting more and more openly and in which he is getting more and more involved. The people will continue to repel these aggressors -- including Mr Cruz -- as it has done until now.

[Question] On this third day of voter registration, do you believe that the people have already proven that they are willing to rebel in a civic way?

[Ortega] The Nicaraguan people have always been at the forefront of all the tasks -- economic, social, military -- and this magnificent civic electoral campaign, held for the first time since Nicaragua's independence, had proven that the people know how to handle and fulfill this task.

[Question] Observers are once again commenting on the danger of a U.S. aggression. Daniel Ortega himself has mentioned this. What are the Nicaraguan people's priority tasks right now?

[Ortega] The most important one is to continue strengthening the Patriotic Military Service [SMP], the reserve battalions, and the Sandinist People's Militias in order to continue inflicting blows on the mercenaries. In the past 15 days ... [Ortega corrects himself] since 19 July, the Sandinist People's Army destroyed a counter-revolutionary base near the Honduran border, inflicting close to 300 casualties on the Nicaraguan Democratic Force [FDN] mercenaries. That is the main task: to continue mobilizing the defense of the revolution. The other important task is to continue strengthening all of the steps that ensure that the 4 November elections conclude in a orderly, successful way so that the people's will -- of which I am sure -- that the revolution continue to be reaffirmed.

The Nicaraguan people are sufficiently aware of the need to defend their interests. This revolution cannot regress. The representatives of the exploiters, the rich, and the imperialists cannot govern again in Nicaragua. The people will continue to govern themselves. These efforts guarantee a better organization of the revolutionary process. We are confident that the Nicaraguan people will ratify their historic vanguard and their revolution.

[Question] Commander, how have the 300 casualties that were inflicted on the counter-revolutionaries affected the groups operating in northern Nicaragua?

[Ortega] They are quite dynamic, in the sense that they mobilize in small groups and attack mostly economic targets: technicians, teachers, they boycott road projects and cooperatives, because they are unable to attack military forces. They have been limited to this kind of action in an attempt to weaken civilian targets in a criminal way. We are responding by mobolizing more forces to make sure that the social and productive tasks are not obstructed by this criminal policy. This is not easy. However, we are making every effort to stop the counterrevolutionaries from fulfilling their goals.

[Question] Commmander, what is the location of the counterrevolutionary FDN base that was destroyed?

[Ortega] I believe it is in northern Jinotega, near the border. It was a joint operation conducted by infantry and artillery units.

[Question] How are the companeros of the SMP responding?

[Ortega] In the same way that the people are responding to the voter registration process: with enthusiasm, determination, and conviction. Thus far, we have learned of no case where youths retreat or act cowardly. On the contrary, the youths are showing enthusiasm, bravery, and courage, and this allows for the quick formation of military units and the irregular warfare battalions.

Thus, in the next few months we should possess a better combat preparedness to end -- or at least neutralize -- this problem of aggression to gradually recover the tranquillity which the imperialist policy has made our people lose.

[Question] Commander Jaime Wheelock said that a force of some 3,000 counterrevolutionaries entered the Departments of Jinotega and Matagalpa last month. Are they part of the group at the base that was destroyed?

[Ortega] Exactly. Yes. They tried to launch an offensive on 19 July, but they failed. They were not even able to take small villages.

[Question] Can you comment on the statement that Pastora made in the Nicaraguan mountaions and on the divisions within the Democratic Revolutionary Alliance?

[Ortega] It is a reflection of the enemy's weakness as a result of the failure of its political and military plans. We must increase military and political blows to continue to weaken it.

[Question] The Americans are preparing new military maneuvers in Honduras.

[Ortega] That is part of the U.S. policy of blackmail intended to weaken our position at the negotiating table.

CSE ANNOUNCES INTERIOR MINISTRY ELECTIONS NOTICE

PA271601 Managua Radio Sandino in Spanish 0000 GMT 27 Jul 84

[Supreme Electoral Council, CSE, communique issued 26 July; place not given]

[Text] The CSE announces to all citizens and the general public that today it received an official notification from Companero Interior Minister Tomas Borge Martinez, commander of the revolution, advising the CSE that: In order to fulfill the laws, norms, and provisions that regulate our country's first free election, we recently gave precise instructions to the chiefs of the various offices and regions that comprise our ministry so as to guarantee abidance by these laws and provisions. By virtue of this, the Interior Ministry will guarantee the following:

1. Full freedom of expression, limiting prior authorizations by the Medica Directorate to military and security information related to the nation's defense.

2. The Sandinist Police and other Interior Ministry offices will watch over the citizens' unrestricted freedom to exercise their right to move about the national territory; hold rallies, meetings, and demonstrations; and distribute propaganda and carry out proselytism in accordance with the provisions established in the current law electoral law.

3. The police authorities will strictly comply with the legal deadline for the presentation of prisoners and for all of the other procedural guarantees in the case of common crimes not included in Article 1 and 2 of Law 1074 or in other related provisions.

We also announce that our agencies and offices will remain alert 24 hours a day in order to guarantee, in accordance with the penal laws currently in effect, the security of state, cooperative, and private property as well as the respect for and the moral and physical integrity of all citizens.

We reiterate that the Interior Ministry will fully guarantee all of the rights and duties established in the electoral law and other provisions issued by the Junta of the Government of National Reconstruction in connection with the electoral process.

TWO KILLED IN ATTACK ON ELECTION OFFICE

PA291422 Managua Radio Sandino in Spanish 2213 GMT 28 Jul 84

[Text] Two electoral police were killed yesterday afternoon in (Yale) when some 200 counterrevolutionaries attacked the offices of that village's vote-counting committee, Mariano Fiallos, president of the Supreme Electoral Council, CSE, has reported. The electoral police, who are in charge of maintaining order at the vote-counting committees, faced their aggressors who, despite outnumbering the guards, were unable to occupy the village inhabited by some 50 people, Fiallos reported. Four teachers who were inside the vote counting committee offices were unharmed in the attack. It was also reported that a member of the (Yale) civil brigades, whose identity has not been confirmed, is missing. [Words indistinct] residents to register to vote in the 4 November elections. Other reports indicate that Evaristo Alvarez Suazo, secretary of the zonal electoral committee, was seriously wounded.

CDN PRESIDENT DISCUSSES LOSS OF LEGAL STATUS

PA271656 San Jose Radio Impacto in Spanish 1830 GMT 26 Jul 84

[Text] The Nicaraguan opposition parties that decided not to register candidates for the coming elections woke up today without legal status. These opposition parties, which are grouped under the Ramiro Sacasa Guerrero Nicaraguan Democratic Coordinating Board [CND], are the Social Christian Party, the Social Democratic Party, and the Constitutionalist Liberal Party. A faction of the Nicaraguan Conservative Party headed by Mario Rappacioli, which had not yet attained legal status and supports Arturo Cruz' presidential candidacy, was also left outside the law.

The opposition agreed not to register candidates yesterday, when the deadline to do so expired, because the FSLN has refused to hold a broad national dialogue without exclusions. Our reporters had an exclusive talk with CDN President Luis Rivas Leiva, who said:

[Begin recording] [Rivas] Nicaragua's history did not end today, 25 July, nor will it end on 4 November. Nicaragua continues to exist. We, the Nicaraguans who are struggling here in Nicaragua, will continue to struggle. The history of Poland, Chile, and Paraguay has not ended, nor will the history of any other country end. As Nicaraguans, we are entitled to continue building, to continue participating in Nicaragua's history, in Nicaragua's historical process. Within that context, we will continue to perform our historical role and will remain politically active unless we are placed on buses or planes and kicked out of Nicaragua one of these days.

[Unidentified reporter] How many parties have registered to participate in the 4 November elections and what is their ideology?

[Rivas] Seven parties have registered and this is what the FSLN has used as an argument to say that most parties have registered. Parties have been invented and schisms have been promoted within the parties. The strategy here is to have a wide variety of parties, both numerically and ideologically speaking, in order to sell this image abroad. The Conservative Party was denied legal status; a small group of four political opportunists have been granted legal status. They say that they will participate in the elections with or without conditions, or with or without freedom, and have registered.

Another small group is the Popular Social Christian Party which does not even have enough people to make up a list of 180 candidates to the constituent assembly and is desperately offering to place anyone on its list. There is the Communist Party of Nicaragua, and we already know that this means; the Socialist Party whose members admit that they are Marxist-Leninist; and the Independent Liberal Party, which has tried to pass for an opposition party by raising objections but has finally registered. It raises questions about the process, but is involved in it. These are the seven parties that have registered. However, I must tell you again that the four genuine opposition parties in Nicaragua that make up the CDN -- the three parties represented by the Coordinating Board and our allies, the Democratic Conservative Party of Nicaragua are the largest opposition group in Nicaragua, numerically speaking. [end recording]

Rivas Leiva was clear in saying that despite everything the parties grouped in the CDN will continue to exist as a citizens' movement and as such will continue conducting its political activities.

ARDE COMMUNIQUE DENOUNCES FSLN ELECTORAL 'FARCE'

PA280041 San Jose LA PRENSA LIBRE in Spanish 21 Jul 84 p 20

[Revolutionary Directorate of the Democratic Revolutionary Alliance, ARDE, communique issued in San Jose, Costa Rica on 18 July]

[Text] On the issue of the registration of candidates by 25 July 1984 for the elections that the totalitarian FSLN has scheduled for 4 November 1984, ARDE wishes to inform the Nicaraguan people and the world's friendly nations that:

1. On 20 February 1984 we issued a public appeal for the peace and democratization of Nicaragua. Our peace offer was made contingent upon the FSLN's compliance with six basic points that would guarantee that the elections announced by the Managua government would be truly democratic.

2. On 25 April 1984 we reiterated our peace offer and declared that if we did not receive a response by 31 May the FSLN would again be demonstrating that, as the official party, it had closed the door to a political solution that would have brought peace to Nicaragua.

3. The deadline by which the political parties must register their candidates for participation in the FSLN's contrived elections is 25 July 1984. The FSLN is pressuring the parties to register for the elections by threatening to take away their legal status if they do not.

4. ARDE has full confidence in and respect and admiration for the courageous decisions made by the domestic opposition in Nicaragua. It is convinced that no true opposition party will yeild to the FSLN's pressure and flattery, as the internal democratic forces' participation in this charade would only serve to legitimize the totalitarian regime.

The FSLN has forgotten that the Nicaraguan people realize that, without guarantees, the elections are simply a farce and that the people are bearing in mind the Catholic Church's appeal for dialogue and similar proposals made by the Ramiro Sacasa Guerrero Democratic Coordinating Board on 24 December 1983, seeking to ensure that the elections are legitimate.

Under the current circumstances, the totalitarian Sandinist regime's electoral farce is but a new version of the Somozist tyranny's old farces.

Therefore, ARDE reaffirms that the 4 November 1984 elections are not genuine and that any participation in that process would oppose the cause of Nicaragua's liberation. ARDE also affirms its unyielding struggle for the recovery of Nicaragua's democratic revolution.

Without totalitarianism or a return to the past!

FSDC REAFFIRMS WILL TO STRUGGLE AGAINST FSLN

PA271624 San Jose LA NACION in Spanish 20 Jul 84 p 27 A

[Christian Democratic Solidarity Front, FSDC, communique issued on 15 July "in Central America"]

[Text] The Christian Democratic Solidarity Front (FSDC), member of the Democratic Revolutionary Alliance (ARDE), reiterates on the first anniversary of its formation its willingness to struggle with the Nicaraguan people against the FSLN's Marxist-Leninist regime, and in favor of a democratic regime, with full public liberties and free elections, an economic system with different areas of ownership, workers' full participation in the decisionmaking process, and a Nicaraguan foreign policy that will seek the juridical equality of the countries, the peoples' right to exploit and enjoy their own riches, and the implementation of international social justice. The FSDC reaffirms its support for the unity of all Nicaraguans in this struggle against totalitarianism, a unity that should be based upon a democratic revolutionary, and Christian political project, a condition essential to the prevention of a possible return to the Somozist past, and the only way to end the totalitarian dictatorship of the FSLN. The FSDC states before the world that the FSLN, in rejecting the peace efforts made by the Contadora Group, confirms its totalitarian and antidemocratic will and admits that it does not have popular support or the moral strength to allow it to resist the democratic game with full liberties. The FSDC once again demands that the democratic peoples and governments of the world adopt a clear and firm position of support toward our struggle for liberation. The FSDC is optimistic about the current efforts being made by the Socialist International in support of rescuing the Nicaraguan revolution, which has been sidetracked by the FSLN's Marxist project. The FSDC acknowledges the attitude adopted by the Christian democratic governments and parties in support of the struggle for Nicaragua's liberation.

The FSDC, on the eve of the fifth anniversary of the toppling of the Somozist dictatorship by the Nicaraguan people, informs the world of its faith in the proximity of a new triumph for this heroic people in its struggle against the current dictatorship, against the criminal intervention of Soviets and Cubans, against religious persecution, and against the systematic violation of human rights. A struggle that the FSDC carries out along with the following organizations: Movement of Solidarity with Nicaraguan Democratic Workers, Nicaraguan Democratic Union-Revolutionary Armed Forces of Nicaragua, Nicaraguan Democratic Movement, and MISURASATA-SICC Miskito, Sumu, Rama, Sandinist Unity-Southern Indigenous Creole Communities, within the Democratic Revolutionary Alliance (ARDE).

Central America, 15 July 1984
Christian Democratic Solidarity Front (FSDC)

Dr Roberto Ferrey E., General Secretary
Anibal Ibarra, Organization Secretary
Companero Roberto Perez, Internal Relations Secretary
Companero Abel Melendez, Propaganda Secretary
Pedro P. Ramirez, Formation Secretary
Responsible Signature: Abel Melendez, Passport No. c065360

CASTRO SPEECH COMMEMORATES MONCADA ASSAULT

FL262308 Havana Domestic Service in Spanish 2206 GMT 26 Jul 84

[President Fidel Castro speech at Cienfuegos ceremony commemorating 31st anniversary of the assault on Moncada Barracks -- live]

[Text] Comrade Jerry Rawlings, chairman of the Provisional National Defense Council of the Republic of Ghana [applause], Comrade Tomos Borge, leader of the delegation from Nicaragua [applause], Comrade Axen, chairman of the GDR delegation [applause], distinguished guests [applause], compatriots of Cienfuegos and Cuba [applause]:

The history of Cienfuegos is rich in exploits and in struggles for the independence of our country and the revolution. In the first months of the first war for independence in 1968 [as heard], the Cienfuegos patriots rose up in arms. I always recall with admiration an illustrious son of Cienfuegos, an outstanding freedom fighter, Jose Gonzalez Guerra, who is not sufficiently recognized or well known, and who carried out brilliant battles against the Spanish forces in this region until he died heroically in that war of 1968 [as heard].

Cienfuegos' participation in our struggles of 1895 was outstanding. The invading forces of Antonio Maceo and Maximo Gomez crossed this land. [applause] And in this land, with the participation of people from Cienfuegos, they fought some of the most brilliant and most famous battles of our liberating Army: the Battle of Mal Tiempo. [applause] Throughout the period of the colonialized and exploited Republic, the Cienfuegos region actively participated in the labor movement and in the student struggles.

I recall in my student years, I visited Cienfuegos concerning a student protest. The Army arrested me and accused me of being an agitator and a subversive and they took me before a summary court in Santa Clara, where I was sentenced. And when we were fighting in the Sierra Maestra under difficult conditions, the heroic uprising of Cienfuegos took place on 5 September 1957. [applause] That event was an extraordinary stimulus for the fighters in the Sierra Maestra and the foundation of the Batista tyranny was shaken. Like 26 July, 5 September did not see the victory, but it prepared and paved the way to victory. [applause]

Therefore, when we were marching from the Oriente region to the capital, in the first days of January 1959, we detoured from our route to visit Cienfuegos. [applause] It was 6 January 1959. During the hours of the morning of the 7th, I met with the people of Cienfuegos. It was difficult to imagine then that 25 and a half years later, [applause], we would be meeting to commemorate the anniversary of 26 July and to recount the events of the revolution in this province. [applause]

I visited Cienfuegos often after the triumph of the revolution and I closely followed its extraordinary economic and social development. I was always impressed by the enthusiasm, revolutionary spirit, and will to work of the people of Cienfuegos. [applause]

At the time of the triumph of the revolution, the economy of Cienfuegos depended fundamentally on the production of sugar. Only a few industries could be counted in this province, and these were mostly handicraft industries.

In these 25 years, an entire program has been carried out to industrialize this region. I remember the first industrial plant inaugurated by the revolution, under the initiative of Che [Guevara]. [applause]

It was the factory of diesel motors and compressors. It was not a very large factory. Its merit was that of being the first industry built by the revolution in Cienfuegos. The nitrogenized fertilizer factory came afterwards, and this was a great industry, the biggest in Cuba, with a production capacity of more than 400,000 tons per year.

Other important factories followed: the cement plant, with a production capacity of 1.65 million tons [no time period given], the biggest in Cuba, built with the cooperation of the GDR [applause]; the irrigation components factory, built with the cooperation of the Republic of Bulgaria [applause]; the electric power industry, consisting of four units with a capacity of more than 400,000 kw; the glucose plant; the flour mill; the animal feed plant; the torula factory; the new 5 September Sugar Mill, with a capaicty of 650,000 arrobas daily [applause]; the cheese and ice cream factory; the (Ciego Montero) mineral water bottling plant -- the products of these last two plants are known for their quality throughout Cuba -- the refrigeration plant for vegetable and meat products; the bulk sugar loading terminal where sugar produced in Central Cuba is loaded on ships [applause]; the industrial fishing combine [applause]: the Gran Panel 4 prefabricated housing plant; the Gran Panel 6 plant; the Yugoslav IMS [expansion unknown] plant. [applause]

To these can be added many other industries such as sand-washing plants, rock crushers, tile factories, cement block factories, electrical substations, and others, all of which total 52 industrial plants built in Cienfuegos Province by the revolution. [applause]

Seventeen port works were built; 17 roads; dams; irrigation systems; water treatment plants; 92 agricultural and livestock works; 49 schools including [applause] installations for the medical sciences school [applause] that is now functioning; normal schools; the electronuclear polytechnical [institute]; the public health polytechnical [institute]; the Camilo Cienfuegos Vocational School, [applause] dozens of preuniversity institutes, technological schools, basic secondary schools, and others.

This number does not include child care centers and the recently built special schools. Forty-one health related projects have been built which include the modern Cienfuegos City Surgical Hospital-Clinic with 650 beds, the hospitals in the mountains, the polyclinics, and dental clinics, etc.; in all, 1,116,000,000 pesos were invested in economic and social projects which does not include projects undertaken by the Cienfuegos Province People's Government. At present, industrial, economic, and social projects worth 1.2 billion pesos are under construction. [applause]

In Cienfuegos, at present there are two huge projects under construction which are very important for our nation. One is the nuclear power plant [applause], which is the first project of this type to be built in our nation and in the Central American and Caribbean areas. [applause]

The nuclear power plant will have four reactors, each with 417,000 kw capacity. This means that each reactor will have a capacity greater than the entire Cuban electrical power industry had in 1959 on the triumph of the revolution. [applause] The first two reactors are presently under construction. This colossal project requires millions of cubic meters of rock excavations, hundreds of thousands of cubic meters of concrete, and tens of thousands of tons of steel. The project has been designed and is being built with every safeguard. It has been designed to be shock resistant because, although infrequent, the Cienfuegos area is within Cuba's earthquake region.

This nuclear power plant will withstand a large earthquake. It is protected against the possibility -- said to occur or could occur once every 10,000 years -- of a 30-meter high tidal wave that may reach our coast.

I do not understand how such a tidal wave could occur, maybe a hurricane, but that would be difficult; or a volcanic eruption on one of the Caribbean islands. The fact of the matter is that scientists say this is a theoretical possibility, and this center is protected against this theoretical possibility.

It is protected against the unlikely possibility of an aircraft accident -- a modern jet could crash against one of the reactors. That is, in theory all risks have been anticipated. This of course requires greater quantities of concrete and greater quantities of steel.

Some 5,500 construction workers, 168 Soviet advisers [applause]; and the Bulgarian brigade -- whose members gave it my name prior to the revolution's triumph [applause] as a gesture of sympathy of the Bulgarian people sympathy toward our struggles, when victory was very remote -- are working in this project. The Bulgarian brigade is made up of 82 Bulgarian workers in honor of the 82 members of the Granma expeditionary force. [applause]

This nuclear power plant requires a new city with 4,500 dwellings, which are currently under construction. When this plant is completed, it will require a very important installation, whose construction will begin sometime in the future. This is a water accumulator. What is a water accumulator? It is a reservoir, a hydroelectric unit with turbines to produce electricity. These nuclear power plants are not like the thermoelectric power plants that start and stop at any time, they work around the clock, 24 hours a day all year long. There are times when there is a surplus accumulation of electricity; then the water accumulator's motors pumpt the water to the top when there is excess electricity and, with that same water when there is a peak demand for power, produce electricity. This is an adjunct facility, and will be built in the area of Escambray.

In order for you to have an idea of the economic importance [applause] of this industry, suffice to note that each reactor saves 600,000 tons of fuel and, when the four units are completed, 2.4 million tons of fuel will be saved, whose cost at today's price amounts to approximately $500 million. That is the savings in fuel we will have yearly. Tens of engineers and hundreds of medium level technicians have been training for many year to work in this industry.

Another giant under construction in Cienfuegos is the new oil refinery [applause] with a capacity for refining 6 million tons a year and, in addition, will produce 200,000 tons of basic lubricants. Some 43,00 Cuban builders and 122 Soviet advisers are working on this project. [applause]

A large water purifying plant is also being constructed to avoid putting sewage into the ocean. It is a large and expensive plant. Nevertheless, in this and in many other industries, we must build in such a way as to preserve the purity of our waters and the environment because the success of this great industrial development of Cienfuegos will be measured someday by our ability to keep the waters of this bay clean enough to continue producing the excellent shrimp that are harvested in this bay. [applause]

The number of workers on these two projects increases every year, construction workers from every province in the country, especially from the eastern provinces are working. [applause] Approximately 1 year ago, the living conditions for these two brigades improved. They were supplied with work uniforms made of good material and well-designed, and with special work boots.

The quality and quantity of their food supplies were increased. They were equipped with many buses for transportation. Well, many of these workers sometimes traveled as far as Oriente in tractor-trailors.

A special policy was applied to them and to the Moa construction workers -- a policy of special attention -- because of the effort that these projects require. And the workers have responded to this attention by considerably increasing their production and their productivity. [applause] These two vital projects are being built with credit and cooperation from the Soviet Union. [applause]

The investment program includes other new projects, such as the modernization of the port, expansion of the Danuji Factory, and also, for example, the Superior Technical Institute and other economic and social projects. [applause] I should point out that besides the projects heretofore mentioned, new residential areas, thousands of housing units have been built, as have aqueducts, sewers, sports facilities, such as the modern Cienfuegos Stadium, which was built with the cooperation of the masses [applause], hotels for tourism, recreation centers, and so forth.

Not only has there been industrial development, there has also been social development. In other countries, in the capitalist countries of the Third World, they invest in factories and they do not build a single house for the workers. They do not build a single recreation center. They do not build a single school. They do not build a single hospital. Therefore, there is economic growth but there is no development.

In our socialist concept, unlike in the capitalist concept, special attention is paid to caring for the individual man and to social development, because the economy exists and the economy develops not to enrich private companies but to benefit the people and all the workers of the country. [applause] [crowd shouts: Viva Fidel! Viva!]

Prior to the revolution, there were no industrial construction enterprises. When there was a construction job to do -- including building a sugar mill -- U.S. enterprises came to do it. And all these construction jobs in Cienfuegos and in Cuba have been done by Cuban enterprises. [applause] These completed works do not belong to any transnational company or to any private enterprise. They belong to the people [applause], to all the people. And as a consequence of this swift economic and social development, the commercial production of Cienfuegos Province in the first half of 1984 [corrects himself], no in the first half no, in the year 1983, was valued at 614 million pesos. And at the present time, the economic production of the workers of Cienfuegos amounts to approximately 2,000 pesos per inhabitant. [applause]

The number of jobs has increased in the last 7 years by 40 percent. The average worker's salary in Cienfuegos is now one of the highest in Cuba. [applause] And the 1975 per capita income of 556 pesos increased in 1983 to 1,050 pesos per capita, for all the inhabitants of Cienfuegos. This includes all of the inhabitants [applause] of Cienfuegos.

This year, Cienfuegos has had the biggest sugar harvest in its entire history [applause], totaling 643,800 tons, which is 58 percent more than the biggest sugar harvest ever achieved by the capitalists. [applause] Almost 70 percent of the harvesting is done by machine. And the harvesting was done with 30 percent of the manual cane cutters employed in 1970 [applause]; which gives us an idea of the increase in productivity in our cane harvests.

In addition, Cienfuegos was the first province in Cuba to reduce fuel comsumption to zero in the production of raw sugar, in 1979-1980. And it has maintained this zero consumption during the past 4 years. It was a pioneer in this movement, which has spread throughout Cuba, and which in just a few years has reduced fuel consumption in the production of raw sugar from one half million tons each year to almost zero. Only a few thousand tons are consumed now in the production of raw sugar.

In agriculture, Cienfuegos has several times increased its production of root vegetables green vegetables, citrus fruits, other fruits, and coffee. It has notably increased its production of milk, pork, and poultry. It has several times increased its fish production. We cannot speak of other products such as cement because it was not produced before. Fetilizers were not produced. Glucose, torula, etc, were not produced before.

The electric power generating capacity of Cienfuegos -- and I am not counting electronuclear power -- is now 30 times greater than it was prior to the revolution.

In the field of public health, from 14 health institutions or centers that it had prior to the revolution, it now has 68. The number of hospital beds has increased 4.7 times. The number of physicians was only 92 prior to the revolution, most of them in private practice. Public health hardly existed in this province.

Today, Cienfuegos has 492 doctors. [applause] Some 44 percent of them are specialists in more than 20 areas, many of which did not exist before the revolution.

There are at present 497 students enrolled in medical schools created by the revolution. [applause] And, this number continues to increase. [applause] This means that Cienfuegos today produces its own doctors and specialists.

The number of dentists, which was 36, increased to 139. The number of nurses and medical technicians increased from a few dozen, to 2,453 and there are more than 1,200 now studying at the Health Politechnic. This is progress. This is development, both economic and social development. [applause] As a result of excellent work, in the first quarter of 1984 the infant mortality rate was reduced to 11.8 deaths per 1000, which is as low as most developed nations.

On the cost of public health, I want to point out that before the revolution, the national budget for public health was 20 million pesos. Today, only in Cienfuegos, the budget is 22 million pesos. [applause] And it only has 3.4 percent of the population.

In education, where before the revolution there were 9 middle schools, and 1,900 students enrolled, today there are 64 middle schools with 35,275 students, just in this last school year. [applause]

Cienfuegos did not have universities. Today it has four with an enrollment of almost 4,000 students. The number of middle and upper level school students is similar to the number of students in elementary schools. Cienfuegos was the first province to have its workers reach a sixth grade education. [applause] And now, in the fight for the 9th grade, 50 percent of the workers have passed, and the rest are planning to complete their courses by the time the third party congress meets. [applause] Prior to the revolution there was not a single special school for exceptional children. Today there are 13 in this field.

In the area of culture, Cienfuegos had a small library, 2 theaters, and 10 movie theaters.

Now Cienfuegos has 19 libraries, 9 museums, 25 movie theaters, 42 professional groups of artists, and 1,585 groups of amateurs. [applause]

As for sports, six sports were practiced in a few installations. Today, 29 sports are practiced in 303 installations, supervised by 309 physical education and sports technicians. This category did not even exist before the revolution. [applause]

It is not surprising that several Cienfuegos athletes have earned national prestige and fame. This is the work of the revolution in Cienfuegos. [applause] Perhaps it seems that there are too many figures, but these figures reflect only a part of this work.

We are proud of the work of the revolution in Cienfuegos, and we express our warmest congratulations to comrade Humberto Miguel, [applause] first secretary of the party; [applause] the comrades of the people's government, and the people of Cienfuegos for this work. [applause, crowd shouts: Fidel, Fidel, Fidel!] But Cienfuegos is not only an example of development. It reflects the work of the revolution throughout the country. All of the provincial cities and rural areas have changed. All provinces have vocational schools, technological schools, pedagogical schools, physical education schools, and Camilo Cienfuegos Schools. All provinces have medical schools and university centers, of which there are 42 throughout the country. Some provinces have more than others, while others have begun to build art schools. Here in Cienfuegos, we still don't have an art school. In fact, there are no vocational, preuniversity, and secondary schools in Cienfuegos like those that exist in other cities -- almost all cities have them. Cienfuegos students go to Villa Clara for these schools.

When these schools, which are of a specific size, were built, there were six provinces. The schools had already been built. We could only divide those of Santiago and Guantanamo, in order to make two schools of 2,500 students each. By this I want to say that there are many things in other provinces that Cienfuegos doesn't have. It gives us an idea of how we have tried to work to develop the entire country, because capitalism left us with a situation of inequality that was overwhelming. It wasn't just a case of social inequality, but of inequality of regions. There were regions here that were more industrialized than others. There were regions that had no industry or development. There were regions with incomes that were much lower than others, and we still have not been able to overcome that problem completely, despite the fact that we are working very hard to do so.

For example, the per capita income in the eastern provinces is lower than that of the western provinces. Therefore, we must make a maximal effort to promote the industrial and agricultural development of those provinces. However, the inheritance of centuries cannot be changed in a few years. Still, in every plan and in every 5-year program an effort is made to develop the most backward provinces.

What we can say with satisfaction is that the income and standard of living of these provinces have been increasing every year and have begun to achieve equitable levels. Large industrial projects are being built in practically all of the provinces. However, projects are not always built where one wants to build them. Sometimes the raw material, as is the case with nickel, demands that the plant be built right there where it is. The quarries that provide the raw material for cement require that the plant to built right where they are. There are plants that can be built anywhere, but unfortunately, the important ones demand a port or certain raw materials and thus can't be built in places at whim.

However, the revolution worries a lot about at least one area, the social area. All provinces have their complete hospital system. All provinces have a complete educational system. They have their cultural and sports development.

As for social development, there are provinces that are much more productive than others. There are provinces that generate more income than others. But the revolution redistributes income among all of the provinces.

Now, I see that the Cienfuegos people have a high level of production. I see that they are close to 2,000 pesos per capita. This means that Cienfuegos is already contributing to the development of other provinces in the country. [applause]

Another giant industry is being built in Moa. It is the Punta Gorda nickel factory, with a production capacity of 30,000 [unit not specified] per year. It will include a shop, mechanical plants and other related industries.

Construction of a second nickel plant with a similar capacity has begun. An 8 million square meter textile plant was inaugurated at this time last year in Santiago de Cuba and it is already in operation. Construction of a new thermoelectric plant has begun in northern Oriente Province and the sugar harvesters plant at Holguin is already producing above its designed capacity.

The new bottle industry at Tunas is already making an important contribution to this area of production. In Camaguey, work is proceeding intensely on new mechanical plants, on the mechanical plant, on the new beer factory, and on the Nuevitas thermoelectric plant. The port in that city is already being developed and modernized.

Recently, a large citrus complex was inaugurated at Ciego de Avila, and the bagasse pulp and paper factory, a large and very important industry for the country, was begun at Sancti Spiritus. They will soon inaugurate their clinical-surgical hospital, which is similar to that in Cienfuegos. The mechanical industry at Villa Clara is being expanded. A large thermoelectric plant with a capacity of 300,000-odd kilowatts is under construction at Matanzas. Construction of the port for supertankers has begun, and construction of a group of tourist hotels at Varadero, an international airport, and a turnpike will begin during the second half of this year.

Construction of the thermoelectric plant is under way in eastern Havana. It will have a capacity of 1.2 million kilowatts and will consume a good deal less fuel than the electric plants that are in downtown Havana, which are fuel guzzlers and a source of pollution. The Antillean steel plant is being expanded considerably.

The Ameijeiras Brothers Hospital, which was inaugurated not long ago, has already gained international stature and prestige. Dozens, in fact hundreds of economic and social projects are under construction throughout the country. [applause]

We are pressing ahead in the search for minerals. We are stepping up oil exploration. Domestic oil production is being increased. The planting of forests is being stepped up. The record figure of over 140 million plants was reached last year. Our people's work is bearing fruit.

During the first semester of 1983 commercial production grew 4.4 percent. It has grown 9.9 percent during this first semester of 1984. [applause] Industry grew 3.8, agriculture 6.4, transportation 7.7, and construction 19.8 percent. [applause] You, the builders of [word indistinct] and the refinery, played an important role in this growth rate of 19.8 percent.

Virtually all areas grew. Substantial quantities of fuel and raw materials have been saved. Nationwide, the sugar industry increased its production by approximately a million tons, reaching a production of 8.2 million tons of sugar. This is one of the largest sugar harvests ever achieved in Cuba. [applause] This was done despite the weather problems and the incessant rains throughout the entire harvest, which affected the yield considerably. It was not winter storms like those of 1983, but constant rains, well above the average at that time. Otherwise, our sugar production would have been larger. All of the sugar cane was cut on schedule, but humidity kept us from reaching the expected yield.

The tobacco, potato, [word indistinct], and vegetable crops, which were so seriously affected by wind and rain in 1983, have completely recovered and have yielded satisfactory results this year.

We have not only grown in the economic field, progress also continues in the social area. Indicators continue to improve in the area of health. Here's one important fact: Infant mortality during the first semester was 14 per 1,000. I understand that the months in spring are a bit more complicated. The continuous... [Castro corrects himself] the rains, the contamination of the water. But if we continue to work -- and Cienfuegos is an example, as it had 11.8 -- it is possible that we might lower last year's rate of 16.8 per 1,000.

The number of doctors, if we take the most recent graduates into account, already surpasses 20,500. [applause] And 5,500 students have been selected to enter the School of Medical Sciences for the next school term that begins in September. [applause]

A development program is being prepared for each of the country's specialties. Work is also underway on the preparation of new programs for the School of Medicine, based on the experience gained in the world's best universities, and we are firmly on the way to becoming a medical power. [applause]

A similar situation exists in the field of education. Results are better each year, and demands are greater. More students remain in school, and the results are greater and better. I spoke about this at length on Children's Day, but to give an idea of the progress achieved in these years I would like to mention that while, for example, in 1961 -- after the revolution -- only 1,500 students graduated from preuniversity this year 43,000 students did. [applause]

While 20 years ago some 11,000 students graudated from basic secondary studies, [through 9th grade], this year 170,000 students did. [applause] The number of students who have graduated from college during the revolution, including the most recent class, has climbed to the figure of 190,000. The quality of teaching has improved and must continue to improve, in college and at all other levels.

This is fundamental; it is basic. We cannot feel satisfied, there is still a world of things to be done, a large gap to be filled. I think that it will be fundamental, since we have secured these achievements and advanced up to here, to continue over the long term, and we should pay a lot of attention to teaching and to the use of computer techniques. To do this we must prepare our teachers; we have to begin at the universities. Otherwise, we won't be able to run anything in the future, not without the use of computers.

You must be asking yourselves where I got all of this data. Yes, I have brought data, but I have had to ask for it; I have had to request information from many companeros and organizations. Today it is possible to keep every figure updated, every fact in every field, everything. It is hard to imagine how much work each organization could be saved in its respective field, and how much of the work I assign to them I myself could be saved from doing. [applause]

How many doctors we have, how many specialists, where each is located, which ones have the most experience in each field, the engineers, the architects; they now number hundreds of thousands, millions. Then there is the party, its members, the mass organizations, their members any factory. Industrial development makes it necessary for us to gain access to these techniques ambitiously. We must also learn to manufacture that equipment. It is tremendously important in all areas.

We must perfect our methods of economic management and conduct. This is a developing science. We must acquire this kind of knowledge; we must acquire this technique and perfect it. Managing is not easy. A small store or craft industry is not the same as a brigade comprising 4,500 workers, or a gigantic construction site like this one, which uses hundreds of materials and thousands of parts. How is this controlled, how is it run, how is it managed? Both machinery and technology are required. This seems to me to be a very important aspect, which we must develop in the future.

The development of research is another vital issue, as well as the application of the advances in science and technology. I think that these are things of capital importance, not only for our country but for all socialist countries, because socialism is new and must compete with and struggle against that old fox, capitalism, which is centuries old. [applause] They do not have the opportunities that we have because of the nature of our system: the chance to obtain the support of the people, the masses, everything. But they do have the experience, and they have not neglected their science and technology. For instance, they have not neglected computer science. And they are experienced at organizing, conducting, and managing. This is something we must know, lest we imagine that because our cause is more just and our sustem superior and more humane in all areas, we possess all knowledge and all experience. No.

We have made great progress since the time when we had that high percentage of illiterates and semi-illiterates. They are already struggling to complete sixth grade and ninth grade. It is undoubtedly an advance, but we started far behind and we must gain ground, just as we have done up until now, for I am convinced that anything we set out to do we can do. [appaluse]

Who would ever have thought that we were going to have a medical school in each province. Who would ever have thought that we were going to have graduating classes from secondary and preuniversity schools and from technological institutes. But we must continue to advance. It is not enough. We must do much more, and we can propose it. To have said this when the workers' highest school level was the second grade would have been useless. To have said this when there were only a few university students would have been useless.

Now, we have 222,000 workers enrolled in regular courses and supervised courses. We now have 16,000 university professors. We used to have 1,000. More than 1,000 of them have scientific degrees. We need more of these scientists. We need more of these professors with scientific degrees. We need more of these professors who control areas that are fundamental in today's world. We must improve our teaching techniques. We must promote further knowledge, if we want to be up to this era and if we want to be up to the challenge posed between socialism and capitalism. We must continue to perfect our methods of running the economy. We have advanced a lot in that area. We must continue to advance in these areas.

This matter of education is essential. It is very important. We must not rest on our laurels. We must not grow used to figures from one year to another.

We must know how much we have improved in quality each year. This is not criticism of our Education Ministry, which deserves congratulations for the tenacious and efficient work it is doing and for its achievements. [applause] Rather, this is a harangue, an exhortation, and an encouraging word for teachers to work a great deal more.

Back to my discussion of the country's advances, I want to say that we are advancing in the area of research centers -- we have more than 100 -- and in the area of enterprises that build projects. All necessary attention must be given to their development. We have been working in these areas in the past few years. They are very important. Fortunately, many industrial projects are being built here. Many construction projects are built here. Our technicians build them. There are thousands of them. There are thousands of workers at enterprises that build projects. There are thousands of workers at the research centers. These are organizations, I repeat, that must receive all necessary attention, one by one. They are decisive.

As for other areas, well, what can we say about sports? We have won medals. We have advanced. Who can doubt it? But we must also make an effort. We cannot rest on our laurels; taking into account the advantage provided in athletic development schools, the installations created for athletic purposes and the thousands of physical education teachers at the medium and university level we have trained, we must set out to achieve new advances in sports in coming years.

We have also made great advances in the area of culture, but we must plan to make greater efforts. The revolution has not been able to dedicate all of the resources to build, for example, an art school -- a vocational school and a professional school in this area -- in each province. There are things that we would like to have and that we need but that we cannot obtain right away. However, this is another important area in which we must advance.

We are making progress in recreation. The camping areas have been a success. They have been increasing. With modest resources, they are developing and they are providing the opportunity for a greater number of people to visit them during their vacations.

The country has advanced. And these achievements that we are mentioning have the additional merit of having been obtained at a time of profound world economic crisis and at a time when the price of sugar has dropped to .044 cents, unfortunately, compared to an average of .0858 cents in 1983. It is now .044. I want our compatriots to think about what it means to have a price of .044 cents. It is equivalent to half a cent, which was the price in 1932, amid the worst world economic crisis ever and the lowest prices generally. It was the worst era of hunger ever known in our country. It coincided with the era in which Machado was the head of government. It is called the Machadazo. This is the equivalent to the current price of sugar.

What would our country's situation be without the revolution, without the socialist system, without equitable distribution, without the economic ties that our country has established with the socialist community? [applause] What would it be like, [applause] if we bear in mind all that the guaranteed fair prices for our exports, the fair prices of imports, the long-term development credits, and faciliites of all sorts mean to us? What would become of our country with 10 million inhabitants and with world sugar prices at the 1932 level?

Obviously, this brings difficulties, but under what contrasting conditions when we compare our country's panorama to that of the rest of the world!

So when the imperialists say that if we want to live in peace we must break our ties with the socialist community, we say that those ties will never be broken, never. [applause] And not only because its a matter of principle, which comes first, and a matter of elementary gratitude, but because those ties have been fundamental to our economic and social development for all of these years. They are crucial to our future development.

We are working and have made a great deal of progress on the draft of our next 5-year plan. We have made also great progress on the draft of our prospective plan until the year 2000. We have the fundamental ideas about the fields we will develop in those years; about our social and economic development; about what our industry, agriculture, mining, transportation systems will be like; and about how many hospitals and schools, etc., we will have.

When we discuss cooperation plans with the socialist countries, our cadres, ministries, and planning offices show much more experience than before. This experience must be put to good use. That is why we try to do things better all the time, and make fewer excuses if we don't do them right.

However, what is happening, for example, in the Third World or in Latin America? What is their situation like? Well, Latin America's economy declined by 3.3 percent in 1983. It declined. Its growth rate had also dropped in 1982. Latin America's imports dropped 20 percent in 1982, and an additional 29 percent in 1983. That is, they dropped over 40 percent in 2 years. Just imagine what restrictions this means to the economy of these countries, and the consequences: the deprivation, the misery. And the international credit organizations, controlled by imperialism, are demanding more deprivation, more unemployment, fewer expenditures on schools and hospitals, and fewer subsidies on foodstuffs.

This has given rise to serious problems. Our neighbor, Santo Domingo, has experienced social unrest in recent months. It was a consequence of the measures demanded by the IMF. They devalued their currency and doubled or tripled prices. This constituted such a harsh blow to the people's economy that there was practically an explosion, an insurrection by the masses, over 50 were killed. Some say that there were more than 100, who were murdered. When something like this happens, they send soldiers and the police into the streets to fire on the people. This is the capitalist system, the capitalist and imperialist method. Not a word is said. They slaughtered dozens of people there!

The news monopolies barely said a word. They remained quiet about the consequences of these IMF measures. That is why many Latin American Governments have risen against the IMF. They are being forced to negotiate with this fund. The fund establishes conditions for granting loans and for making resources available during these crisis situations. That is why the IMF has developed such a bad reputation. That is why all of the Third World countries have complained and protested over the conditions it imposes.

However, one must imagine what this 40 percent restriction on imports in 2 years really means. Some 40 percent of the active labor force in the Latin American countries -- which already had substantial unemployment problems as it was -- is either unemployed or underemployed. We already know about their health and sanitary situation, etc., and about their slums, poverty, infant mortality rate, and so forth.

So, what is the cause of this crisis? Trade is inequitable. They have to pay increasingly higher prices for the products they import and must sell their products at lower and lower prices. The developed capitalist countries impose these conditions on the Third World. Their high salaries and technology, etc., must be paid for through each item that comes from there. Less and less is purchased with the proceeds of sales.

The protective measures adopted by the industrialized countries hinder the Third World countries' trade. The huge foreign debt, the extremely high interest rates, the exploitation by the transnational companies and foreign capital, and the flight of capital -- not to mention organizational and administrative factors, as well as corruption, in many cases -- must be added to the international economic crisis.

I am talking about Latin America as a whole, some countries more than others. For instance, what happened in 1981, 1982, and 1983; what happened in these years of crisis? If one adds the figures for these 3 years for Latin America as a whole, and if one considers that they grew a little in 1981, declined in 1982 and again in 1983, then in those 3 years, production and the economy declined by 3.2 percent throughout all of Latin America. This was the situation during this 3-year period.

During those same 3 years, the growth rate of the United States, which rose slightly in 1981, declined in 1982 and rose again in 1983. As a whole, over that 3 year period, growth totaled 3.5 percent, if I am not mistaken; I think it was 3.5.

For its part, Western Europe, all of the capitalist West European countries combined, grew by only 1.3 percent in 1981, 1982, and 1983. During those same years, 1981, 1982, and 1983, Cuba's total social product grew by 21 percent. It grew during each of these years. [applause] It grew by 21 percent in these 3 years. [applause]

This is the reality; these are the figures. They may close their eyes, shout, kick, or distort the facts -- since there are a number of specialists analyzing the Cuban economy. Well, they deny all of this, all of this -- the figures, the facts, what you are seeing with your own eyes here in Cienfuegos, to mention just one example. [applause] This is how it is. [applause] This is true thanks to our relations with the socialist bloc, and despite the crisis currently affecting us. Naturally, receiving 4 cents per pound of sugar is not the same as receiving 15 cents for that part of the sugar that we export to the international market. That is the situation.

Latin America owes $350 billion. Each percentage point that the interest rate climbs represents an additional $2 billion to $3 billion that must be paid due to a simple change in the interest rate, because many of the loans granted by the banks were given at variable, not fixed, interest rates.

The ECLA, which is a UN organization for Latin America, says that this Latin American crisis is the worst in the last 50 years. I do not think it could have been any worse 50 years ago, because back then, these countries did not owe what they owe today: $350 billion. We think that this is a crisis in the economic and social system that has been imposed on Latin America by imperialism. This is really what it is. What can they promise for the future? What can they promise? [applause]

Sometimes they talk about democracy; imperialism talks about democracy -- what the hell kind of democracy? [laughter] The democracy of the starving, of the exploited, of the sick, of the ignorant. The democracy of nations where women must become prostitutes in order to live, where children must beg, where gambling and drugs are constantly on the rise, where so-called representative democratic governments emerge that are like shooting stars. They do not resolve anything; they cannot resolve any problem.

Then there are the right-wing military dictatorships. They kill, torture, murder, and cause people to disappear. Imperialism taught them all of this, the techniques of torture, how to make people disappear, how to create terror. Imperialism taught them.

They talk about democracy when they really mean capitalism, when they really mean control of the monopolies and exploitation of the peoples by these monopolies. That is what they offer. That is what they call democracy: systems of hunger, poverty, and underdevelopment; in addition to exploitation through loans, exploitation through the transnational companies, exploitation through unequal trade. That is what they call democracy. What does it resolve? What have they resolved?

Naturally, it is much better for any country to have one of these so-called representative democratic governments than a repressive and bloody regime. But the system does not resolve anything. I have said it and now I repeat it: The system does not resolve anything; the system cannot resolve anything. [applause]

Imperialism speaks boastfully about these democratic regimes, which launch their horses, troops, policemen, and persecutors to massacre the people when they can no longer withstand hunger.

What is the future that is offered in terms of economic development, employment, education, health, and culture? What are the opportunities offered to these peoples for tomorrow's world. Today we were talking here about the fact that the ninth grade is not enough, that one must continue to study and prepare. This is the question that needs to be answered: What are they offering to the peoples, what solutions, because at the present rate, in another 100 years they will be farther behind than they are today in comparison to the developed countries, much farther. They will be much worse off than they are at present.

Our peoples cannot waste a second. They must work hard for the future. They must prepare for the future, just as we have done these past 25 years. We cannot waste a minute. We have used every one of them and yet we can see that it wasn't enough. We see that there is still much to be done, so that these people have enough. What will the Latin American masses say? What can imperialism offer them? What do the demagogues offer them? This is the question that must be answered. This is what we must ask imperialism. What does the democracy you talk about mean? Because we have experienced another kind of freedom and democracy. [shouts, applause]

What is happening in the world today? What is occurring in this economic and social sphere? [applause]

The United States came out of World War II intact, not a single square kilometer of U.S. territory saw the war. The war was fought in the fields of Europe and Asia, and primarily on Soviet territory. A lot of destruction was produced in that country. Thousands of towns were destroyed. There were tens of millions of victims. The world came out destroyed by the war, yet the U.S. economy grew during the war. It came out as the world's predominant economic and financial power. Its transnationals expanded and developed throughout the world, and now they are powerful institutions that control technology, markets, and financial resources.

International financial institutions like the IMF and the World Bank were organized in line with the interests of the United States, and remained under its absolute control. The dollar became the universal currency. It circulated everywhere. If we could make the peso circulate everywhere, our foreign exchange problem would be solved. This is what they did to solve it. They solved it because of their predominance in the economic and financial spheres.

They used to have tens of millions in gold reserves. It was thought that $35 could be exchanged for 1 ounce of gold. But they kept printing more money until they could no longer back their dollars with gold and then they gave up the gold standard. Using these advantages, the United States is trying to reactivate its economy and to pull itself out of the crisis at the expense of the rest of the world. In this way, the United States is not only raising taxes and establishing all kinds of limitations on products that compete with its industries, but is taking huge financial resources from the world by raising interest rates.

These interest rates are not only the result of a deliberate government policy but are in part the consequences of the huge U.S. fiscal deficits in recent years.

With these high interest rates it is attracting more money. It is not only charging more money for the money lent, but it is drawing in resources that flow out of the Third World and the other capitalist countries that are U.S. allies.

In this way, the U.S. economy, which has been stagnant in the past few years, in 1981... [changes thought] in 1982 it went down, in 1983 it went up by 3.4 percent. In the first 6 months of 1984 it increased by more than 8 percent.

Meanwhile, the Latin American economy decreased by 3.3 percent in 1983, as I said. It will not increase, but will probably remain negative in 1984. Its growth will probably be negative. Western Europe grew by only 1 percent in 1983. It is a ridiculous figure, which hardly makes up for population growth. All of western Europe is growing by 1.25 percent in 1984. This is the reason for the unemployment situation in Europe. More than 30 million people are jobless in the capitalist countries.

Yet the United States takes resources from all of these countries. It is limiting their prospects of growth. It is making it difficult for its own allies to pull out of the crisis. There are many economists who feel that this growth of the U.S. economy is temporary, or that the groundwork for it is very fragile and the resources that are being used to pull out of the crisis will seriously jeopardize the future of the U.S. economy. But despite the growth in 1982 and 1983, the United States still has more than 8 million unemployed. Sixteen percent of the youth are employed in the United States, and 44 percent of the black youth are jobless. This is the situation.

Something else must be added. We were saying that the interest rates were related to budget deficits. Large deficits have been occurring. But what are these resources invested in? What is done with the money that causes these deficits? Is it being used to develop the economy? Or is it being used in scientific research to create new industrial technology and to develop work productivity? Is it being invested in particular research projects to cure certain illnesses that plague humankind, improve health, prolong life, improve the environment, or protect nature? No. Are investments being made in hospitals, schools, in helping the elderly and the children, and in protecting the poor? No. Investments are being made in an arms buildup with the unquestionable intention and idea of breaking the balance of forces existing in the world, and establishing the military supremacy of the United States not only in the nuclear sphere but also with regard to conventional weapons.

This is how old battleships are reactivated and modernized, just like the one used to bomb Lebanon. Every day battleships are being reactivated, modernized, and armed. Rapid deployment forces with the ability to intervene anywhere in the world in a matter of days or hours are being created. New weapons systems which are increasingly dangerous and fatal are being developed. There is talk about space weapons and even about star wars.

in 1983, the U.S. military budget was $238 billion. It will grow in the next year. They approved a $238 billion budget and calculated a revenue deficit of $195 billion. It might be more. Some think that it will be more. In other words, the deficit is equivalent to what they are investing in weapons and military expenses.

Thus, in recent years the world economy has experienced two large calamities that are a result of U.S. military adventures and its warmongering policy. This is a reality. The first calaminy was the Vietnam war. It cost hundreds of millions of pesos; however, it was not financed through taxes. Taxes are too unpopular and this war was increasingly unpopular.

How were the expenses of the Vietnam war financed? They were financed by printing money. I already mentioned that the dollar had become an international currency. They spread these bills throughout the world. They made purchases and traded with these dollars which were later devalued giving way to a tremendous wave of inflation. This was one of the main causes for inflation seriously affecting the world economy.

It can be said that what was done in the wake of the Vietnam war was a large-scale swindle. The United States printed bills and financed the war with bills that were later devaluated. And now, through the mechanism of interest rates and the budget deficits, money is being taken away from the rest of the world. They are forcing the world economy -- I am excluding socialist countries, of course -- to pay for and finance the U.S. arms race. This is a reality. It is a reality known to governments which say nothing. It is known to the European governments. They scream and protest under their breath. Once in a while they say something at meetings, but they can't do anything. This policy has not only affected Latin America and the Third World but also the capitalist countries of Europe.

As a result of this, we not only have a serious economic crisis but also a political crisis in the world. There is a situation of increasing tensions and great dangers of war. Who is to blame? It is not the socialist countries. Why would the socialist countries be blamed for this situation? The socialist countries cannot be interested in the arms race and the production of weapons because the socialist system does not need this. It has too many economic and social needs. The socialist system needs resources to invest in its social and economic development because we ourselves admit the needs we still have. We need houses and other things which we haven't been able to obtain.

Socialist countries are not interested in the arms race. The large monopolies that produce weapons in the western capitalist world are interested in this.

They obtain the greatest profit. As a matter of fact, one of the means resorted to in order to fight unemployment in those countries is to step up their weapons production.

The socialist countries are in no way to blame for this situation. The Soviet Union itself, in all of its pronouncements and all of the speeches delivered by its leaders, has referred to this problem, to the need to hold talks, and the need to avoid an arms race. However, tension is mounting. The tension is mounting; it has mounted considerably due to the installation of strategic nuclear missiles along the ocialist bloc's border. Tension in the Middle East is on the rise, as it is in Central America. There is tension in southern Africa as well.

The USSR has very clearly proposed the immediate opening of talks in September to discuss the issue of space weapons. In an effort to avoid the unleashing of an uncontrollable arms race during these years, at this stage, it has proposed, a meeting in September to discuss this problem very specifically. It has expressed its willingness to resume nuclear arms talks as soon as the NATO measures that led to the suspension of the negotiations in the first place are ceased. The Soviets have clearly stated that these measures must be revised and rectified, but they have also expressed their willingness for discussions.

In Central America, the Salvadoran revolutionaries have expressed their willingness to seek a negotiated political solution to the Salvadoran problem. They have announced this and have reiterated it.

In Nicaragua, the FSLN has expressed its willingness to discuss and work in search of a negotiated political solution. It is already making contacts and has engaged in preliminary talks with the United States.

In the case of Cuba, there is a new development: Jackson's visit to our country. As a result of Jackson's visit -- he was very well received in our country because it is very hard to fool our people, as they can easily identify and can very easily distinguish between a demagogic politician, a fake, and a serious man, a man of convictions, an honest and brave man, and this is what they saw in Jackson, this is what I myself saw. His speech at the Democratic Convention in Los Angeles was in accordance with his peaceful stance.

And I was saying that as a refult of Jackson's visit to our country, and based on a bipartisan consensus in the United States, talks began between the representatives of the Cuban and U.S. Governments in New York on matters of immigration and other issues in this regard which interest both countries. We, on our part, are willing to continue these talks seriously and with the seriousness, maturity, courage, and responsibility which characterize our revolution. [applause]

Those who know Cuba, know our party, know our people and also know that we are serious people. We do not go around lying and playing tricks. [shouts, applause]

Jackson brought a message of peace representing important sectors of the American people. He was not representing the government. We cannot say that he represented American society, but he did represent an important sector. He represented a spirit of peace, a constructive spirit opposed to the arms race and if favor of reducing the dangers of war and of finding political solutions in Central America. He brought a peaceful message and we are sensitive to that kind of action. No one will ever obtain anything from our country by force. Our country can be approached through peaceful efforts. Talks can be held with our country. We will not turn down any effort. In other words, any effort that might alleviate tensions in our area and international tensions will be worthy of our most serious consideration, any effort tending to decrease the dangers of the madness of war. We are even willing to cooperate with any effort in the search for a political solution to the independence of Namibia, which is an important problem in South Africa, on the basis of UN resolution 435.

We are aware of our responsibilities toward our own people and the rest of humankind. That is our duty both as socialists and revolutionaries. In today's world there are two diametrically different political and social systems: the capitalist system and the socialist system. Neither one can impose social change on the other without being destroyed in the effort.

The idea of imposing social change on another country by force was never a part of the socialist view. Despite what ignorant, scheming, and slanderous people might say, Lenin -- who was a realistic man, a man of profound convictions, a man of peace -- was the first to proclaim the need for peaceful coexistence among different social systems as an unavoidable principle.

By contrast, historic reality demonstrates that the idea of crushing revolutions by force was always a part of the philosophy and views of imperialism and all reactionary systems throughout history. [applause]

This was demonstrated by the French revolution. France was invaded by all of the neighboring states, which opposed the idea of establishing a republic and the idea of a bourgeois democracy, on behalf of the divine power of the kings.

It was demonstrated by the revolution of October 1917 in the old empire of the Czars, the first socialist revolution which was invaded and intervened by numerous capitalist powers, and again by fascism during World War II with the messianic idea of destroying socialism.

It was demonstrated by the Chinese revolution and the efforts made by imperialism and the western countries to prevent the Chinese revolution and support Chiang Kai-shek's regime, a feudal regime.

It was demonstrated again by the Vietnamese revolution and the efforts made by imperialism to crush it. It was also demonstrated in Cuba, in Guatemala with Arbenz' revolution, in Santo Domingo with Caamano's revolution, and in Grenada with Bishop's revolution. It is being demonstrated at present [applause] in Nicaragua with the Sandinist revolution and the efforts being made to crush it by force. [applause] It is being demonstrated by the Salvadoran revolutionary movement and the efforts currently underway to crush these people's revolutionary movement through intervention and the use of all of the economic supplies and weapons available in order to drown the Salvadoran revolution in blood, while rejecting any possibility of a negotiated political solution.

In its day, the English colonialists tried to crush the U.S. revolution for independence. This is what history teaches. However, those who believe that the socialist community can be submitted into surrender and capitulation are mistaken. Those who believe that any revolutionary people, any truly revolutionary movement can be forced to capitulate and surrender are mistaken.

Our country has lived through the experience of these years. From the outset of our revolution, we have been subject to blockades, threats and aggressions, etc., sabotage, and counterrevolutionary bands. We cannot forget that on several occasions attempts have been made to kill the revolutionary leaders, thus violating the most elemental norms of international law and morality. Due to a law, due to this law of history, everything has been and will be useless. It is not easy for a small country like ours to confront such a powerful and aggressive neighbor. However, neither is it easy for the powerful neighbor to fight against a small but brave, intelligent, honorable, and united people like ours. [applause]

This senseless policy must cease. [lengthy applause, shouts, slogans] This senseless policy must cease. This is the view already held by many conscientious Americans.

The danger to our country must not be underestimated. This is why we have had to make enormous efforts to bolster our defense through these years, especially in recent years, when the imperialist aggressiveness and threats against our country have been stepped up. Does this mean that we are warmongers? We are not warmongers; we cannot be. Is it that we wish to invest resources in weapons, and the energy of thousands of young, capable and competent companeros to this effort? No, we have so many other things in which to invest our energies and our efforts. Do we want a war? No, we do not want a war. We will wage a war only if a war is imposed upon us. Then, we will wage a war. We are revolutionaries of firm convictions and our ideas and convictions cannot be renounced. [applause]

Since certain things are sacred -- independence, the country's sovereignty, its revolutionary principles, its political and social systems cannot be renounced -- whoever seeks to destroy them will have to fight us. [applause]

We are not threatening anyone. We cannot threaten anyone. It is really laughable when you hear some spokesmen of imperialism say that El Salvador is a threat to the United States, that Nicaragua is a threat to the United States, that Cuba is a threat to the United States. That is laughable.

That is materially impossible from a military standpoint. Oue entire effort is devoted to the defense of our country. I repeat, and I say this very clearly, whoever seeks to destroy these values will have to fight them and us. [applause]

We will know how to defend ourselves, and the price that must be paid will be very high, yet in the end, the objective will not be achieved.

We do not overestimate or underestimate our strength and, just as we are prepared to fight and die, we are not afraid to participate in talks or discussions. [applause] Some ideologists of U.S. imperialism believe that we need this conflict because it unites the people and supports the spirit of the revolution. This is ridiculous; this is absurd. It is precisely the revolution, its achievements, and its material, moral, and cultural role that has united the people and has been an inexhaustible source of encouragement. We do not need the danger of a war to unite and maintain our enthusiasm, since the revolution is beautiful and attractive enough to deserve up to the last atom of our energy and enthusiasm. [applause]

We talk seriously and think seriously. I repeat: We cannot underestimate the dangers, but, we do not overestimate or underestimate our strength. In the face of aggression, threats, and our experience, we have strengthened ourselves. Today we are much stronger than 3 years ago and this is a fact. [applause] Our Armed Forces have realized an extraordinary effort in these last years to increase the troops' fighting capacity, prepare our forces and increase our firepower, and assimilate new weapons. The territorial militia troops were created and in a short time...[interrupted by applause] and in a short time we trained half a million fighters and armed half a million fighters -- both men and women.

Last year, on 26 July, we said that due to pressures and threats we would organize, prepare, and arm another 1/2 million fighters. Today, I can say that this goal has been achieved. [applause] It has been achieved. [applause] We have an additional 1/2 million fighters and the weapons for these fighters. [applause]

Tens of thousands of groups have been prepared and are still being prepared. We have a total of approximately 1.2 million men and women in our territorial militias, including the reserves forces. [applause] This increases the power of our Armed Forces and its reserves. Ideas and concepts regarding the defense of our country and the struggle of all of the people have been studied and developed. Every inch of our national territory has been studied. The plans and ideas of what must be done have been prepared. Every province and municipality knows what it must do. Plans have been prepared regarding what must be done in case of each of the various types of aggression that might be carried out against our country and we continue to prepare ourselves.

We are working on the construction of fortifications, 18,000 men and 3,500 machines are working to prepare our defense throughout the country -- 18,000 men working permanently. In addition, we are using 15 percent of the country's premixed concrete [hormigon prefabricado], this is only to give you an idea. [applause] The members of the party, state, and people's organizations have received courses and continue to systematically prepare themselves to fulfill their tasks in case of an aggression. Perhaps, the imperialists will be happy to learn that we must make these efforts and use our resources for this, since it could affect our social and economic development. True, it would be better to use these forces, machines, cement, and steel in other activities. However, the figures I gave you and the success achieved in Cienfuegos and throughout the country prove our people's capacity to fulfill their tasks and meet their obligations.

Despite this, as I pointed out, we have experienced great success and we are in a privileged position regarding Latin America.

The party and the people have fulfilled their duty. The Sixth and Eighth Plenums of the Central Committee and the measures issued by the Executive Committee have promoted all activities. Thus, we have been able to have both production and defense. This will allow you to understand the reason for our strength; above all, our enemies should understand this regarding the mass forces and the political forces we have developed.

Today our country's Armed Forces are experienced and inured to war preparations. Our country also has a party with 482,000 militants and aspirants. [applause] The [communist] youth have 588,000 militants. [applause] There are 2,666,000 workers who are members of the Central Organization of Cuban Trade Unions, CTC. [applause] The Federation of Cuban Women, FMC, has 2,692,000 members. [applause] The National Association of Small Farmers, ANAP, has 201,000 peasant members. [applause] The Committee for the Defense of the Revolution, CDR has 6,100,000 members. [applause] Half a million students... [starts sentence again, apparently correcting himself] Four hundred fifty thousand senior high school and university students are members of Federation of Mid-Level School Students, FEEM, and Federation of University Students, FEU. [applause] There are 1,889,000 pioneer's [members of the Organization of Jose Marti Pioneers] [applause]

Our people are organized. This represents a great strength. Only a socialist revolution, where all the means of production belong to the people, where all the social service centers belong to the people and can be put at the disposal of development or at the disposal of defense efforts, only a socialist revolution having the full support of the people and fully identified and united with the people, is capable of creating the defensive potential our country has today. [applause]

This should not be underestimated. We have a political culture and a revolutionary awareness that we did not have before. Everything that I have just mentioned did not exist before the revolution. It did not exist when we were struggling for liberation. This has been developed with the revolution. We have a profound internationalist awareness. Hundreds of thousands of our fellow countrymen have fulfilled internationalist missions. These are not just words. They are our combatants, our doctors, our construction workers, our teachers. There is no task, there is no mission that our people cannot accomplish regardless of how difficult the task might be. This is the spirit with which our people have been educated and with which they have been forged. [applause]

We have very sacred things to be defended: our work, what we have done, our future. We have a life that is very different from the life of other people of this hemisphere who still live in the past -- in what for us is past but for them is current. Who can make us return to the past? We have things that are more valuable and sacred than our own lives because the revolution -- the dignity and justice that it has brought us -- is our life. [applause]

On a day like today we must remember those who died to make our present possible. We remember those who fell in Moncada and Bayamo. We remember those who fell on 5 September [year not given], those who fell fighting the bandits in Escambray and in the sands of Giron [applause], those who sacrificed themselves, anonymously on some occasions, struggling against enemy agents.

We remember those who have gloriously and heroically died on internationalist missions. [applause] And remembering this, I dare say that those who have fallen would be proud of the extraordinary transformation that has taken place in our fatherland.

They would be proud of this impressive and undestructible work because it has not only been done with the material wealth and assets we have created, but also with the awareness and values that have grown in the mind and heart of an entire nation. [applause]

They would be proud of the work of the revolution and we are sure that we know how to keep it moving forward and that we know how to defend it with our last breath, with our last drop of blood.

Fatherland or death! We will win!

CASTRO MEETS WITH EAST GERMANY'S HERMANN AXEN

FL281745 Havana Television Service in Spanish 1700 GMT 28 Jul 84

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba, has met with Hermann Axen, member of the Politburo and secretary of the Central Committee of the Socialist Unity Party of Germany. Axen is leading the GDR delegation to the festivities for the 31st anniversary of the assault on Moncada Barracks. During the meeting, they discussed aspects of bilateral cooperation and the international situation.

GHANA'S RAWLINGS AWARDED ORDER OF JOSE MARTI

PA300131 Havana International Service in Spanish 1600 GMT 29 Jul 84

[Text] Jerry John Rawlings, Chairman of the Provisional National Defense Council of Ghana, was decorated yesterday, here in Havana, with the Order of Jose Marti according to a decree issued by the Council of State of the Republic of Cuba. Cuban President Fidel Castro bestowed the high order on the Ghanaian leader after the reasons for the decoration were noted. After receiving the decoration and a congratulatory greeting from Commander in Chief Castro, Rawlings praised the achievements of the Cuban revolutionaries with those of the men who attacked the Moncada Barracks.

CASTRO OFFERS AMNESTY TO CUBANS IN PERU'S MISSION

PA292233 Paris AFP in Spanish 1958 GMT 29 Jul 84

[Excerpts] Havana, 29 Jul (AFP) -- Cuban President Fidel Castro has offered to give amnesty to the Cubans who are at the Peruvian Embassy in Havana so that they can begin to freely negotiate their departure from Cuba in the event that the Peruvian Government suggests such a solution.

Talking with Latin American diplomats at the Palace of the Revolution last night, Castro said that we could also "begin with a clean slate" with them. The Cuban president proposed an amnesty similar to the agreement obtained in late June by the Venezuelan Embassy in Havana in regard to Cubans at that diplomatic mission. In his conversation with Latin American diplomats last night, Castro reiterated the principle that "nobody will leave" Cuba by forcing entry into an embassy, but noted that migration is open to any Cuban who applies for it normally.

He stated that almost all of those who want to leave want only to go to the United States. The problem is that the United States restricts their entry, not that Cuba is preventing their leaving, the Cuban president commented.